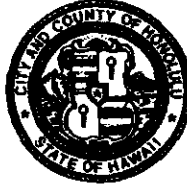


LATE TESTIMONY

**DEPARTMENT OF EMERGENCY MANAGEMENT
CITY AND COUNTY OF HONOLULU**

650 South King Street Honolulu, Hawaii 96813 / (808) 723-8960

KIRK CALDWELL
MAYOR



MELVIN N. KAKU
DIRECTOR

PETER J.S. HIRAI
DEPUTY DIRECTOR

February 19, 2013

The Honorable David Y. Ige, Chair
and Members
Committee on Ways and Means
State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Ige:

SUBJECT: S.B. 680 Relating to Homeland Security

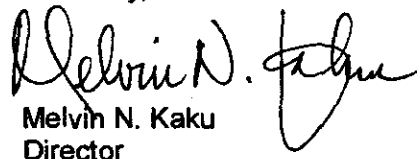
The Department of Emergency Management, City and County of Honolulu, strongly supports S.B. 680.

S.B. 680 provides a legislative basis for performing missions and tasks that we are already performing when members of our community are faced with a natural or man-made hazard incident. This bill allows the State to organize more efficiently to support our counties, communities, and citizens through the establishment of the Office of Homeland Security in the State Department of Defense. Through consolidating office functions that the state is already performing and codifying roles and responsibilities, the Office of Homeland Security will further strengthen the State's Homeland Security program.

S.B. 680 also authorizes but does not require the counties to establish local offices of homeland security. For the City and County of Honolulu, the Department of Emergency Management already performs these homeland security missions and tasks. Therefore, to recognize that the City's Department of Emergency Management is performing this role and responsibilities, it is requested that "Paragraph 5 County organizations for homeland security" last sentence be amended to read "If a county does not establish a separate organization for homeland security, the functions listed in section - 4 shall be incorporated into the responsibilities of the county civil defense agency/City and County of Honolulu, Department of Emergency Management."

I urge your committee to support and pass S.B. 680 with our proposed amendment language.

Sincerely,


Melvin N. Kaku
Director



PARTNERS IN CARE

Oahu's Coalition of Homeless Providers

LATE TESTIMONY

TESTIMONY IN SUPPORT OF HB 680 HD1: RELATING TO TAXATION

TO: Representative Sylvia Luke, Chair; Representative Scott Y. Nishimoto, Vice Chair;
Representative Aaron Ling Johanson, Vice Chair; and Members, Committee on Finance

FROM: Gladys Peraro, Co-Chair Advocacy Committee, Partners In Care (PIC)

Hearing: Wednesday, 2/20/13; 2:00 PM; CR 308

Chair Luke, Vice Chair Nishimoto, Vice Chair Johanson, and Members, Committee on Finance:

Thank you on behalf of Partners In Care (PIC), for the opportunity to provide testimony in support HB 680 HD1, regarding applying the conveyance tax to the sale, transfer or exchange of stock, whose assets include realty located in Hawaii. I am Gladys L. Peraro, Advocacy Committee Co-Chair for Partners In Care, the coalition care providers focused on the needs of homeless persons and strategies to end homelessness.

We support the language in HD 1 which provides for simple and objective ways to report the value of the real estate, as well as the language for appropriate exemptions for real estate transfers, including between partners engaged in qualified affordable rental housing developments. This will avoid any negative impacts on affordable rental housing development.

When the island of Lanai was sold, no conveyance tax was paid. Yet, if a house or a business is sold, the conveyance tax is paid. This bill would close a loophole in the conveyance tax law and provide additional needed funds for critical state needs, such as affordable housing, land preservation and watershed protection which receive appropriations from the conveyance tax proceeds.

Partners In Care partner agencies receive countless calls each month from families in need of affordable housing opportunities. Hawaii ranks third among the states for the rate of homelessness and the Hawaii Housing Planning Study of 2011 found that an estimated 13,000 rental units need to be built by 2016 in order to meet a portion of the estimated need. In order to build 13,000 affordable units, additional resources are required for the Rental Housing Trust Fund, which receives conveyance tax proceeds. The Trust Fund has created **4,250 rental units. In FY 12, it received \$37 million in project requests, yet was only able to commit funds to four out of the nine project applications due to limited resources.** Additional resources would result in projects being immediately funded to move ahead in construction of these much needed units for families, the elderly, and residents of Hawaii who desperately need affordable rental opportunities.

Partners In Care respectfully urges your support to close this tax loophole and tax the value of the real estate. Thank you for consideration of HB 680 HD1 and its impact on housing and land protection in Hawaii.

Partners In Care, c/o Aloha United Way, 200 N. Vineyard Blvd. Suite 700
Honolulu, Hawaii 96817

Partners in Care is a membership organization of homeless service providers, other service professionals, units of local and state government, homeless consumers, and other community representatives located in Hawai'i on O'ahu. It is a planning, coordinating, and advocacy body that develops recommendations for programs and services to fill gaps in the Continuum of Care on O'ahu.



Sierra Club Hawai'i Chapter

PO Box 2577, Honolulu, HI 96803
808.538.6616 hawaii.chapter@sierraclub.org

LATE TESTIMONY

HOUSE COMMITTEE ON FINANCE

February 20, 2013, 2:00 P.M.
(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF HB 680, HD1

Aloha Chair Luke and Members of the Committee:

The Sierra Club, Hawaii Chapter, with over 10,000 dues paying members and supporters statewide, *supports* HB 680 HD1. This measure eliminates a loophole to the state's conveyance tax whereby transfers of stock interest in a corporation holding title to property would circumvent the intent of the conveyance tax.

As publicized by the recent sales of Lanai Island, Ala Moana Center, and the Victoria Ward Centers,¹ it is clear that large property owners have found a way to avoid paying the state's conveyance tax. These entities put the property under the control of a corporation, then transfer the stock of the corporation.

This fundamentally becomes an issue of fairness. Why should some property owners be able to evade paying for services that other taxpayers must bear?

In light of the committee report asking this Committee to reexamine the nexus between the conveyance tax and investing in natural resources, it should be noted that in 2005 this legislature concluded that the coastal, cultural, and watershed lands were being impinged by continued population growth and development in Hawai'i. Wisely, this Legislature found a clear nexus between the conveyance tax and protecting natural areas. Some real estate transfers involve a loss of open space, or the construction of roads, or the expansion of visitor infrastructure. Funding for the acquisition and protection of wild areas offset those impacts—thus ensuring natural, undeveloped areas for future generations to experience in furtherance of our constitutional directive.

Mahalo for the opportunity to testify.

¹ <http://www.civilbeat.com/posts/2012/06/28/16186-billionaires-likely-wont-pay-conveyance-tax-on-sale-of-88000-acres-on-lanai/>