

STAND. COM. REP. NO.

565

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 1479

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1479, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HILO COMMUNITY ECONOMIC DISTRICT,"

begs leave to report as follows:

The purpose of this measure is to facilitate efficient and effective economic development in East Hawaii by:

- (1) Establishing the Hilo Community Economic District under the Hawaii Community Development Authority;
- (2) Establishing the Hilo Community Economic Revolving Fund for all revenue, income, and receipts of the District, except for a portion transferred to the Special Land and Development Fund; and
- (3) Appropriating funds for establishment and administration of the District.

The East Hawaii Region of Hawaii Health Systems Corporation, the Council Member representing District 3 of the Hawaii County Council, The Chamber of Commerce Hawaii, Hawaii Island Chamber of Commerce, University of Hawaii at Hilo, University of Hawaii Community College System, Japanese Chamber of Commerce & Industry of Hawaii, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Island Contractors Association, Blue Ginger General

HB1479 HD2 HSCR WAL HMS 2017-2175



Construction, Inc., Kanoelehua Industrial Area Association, Mauna Kea Infrared, LLC, International Longshore and Warehouse Union Local 142, Hawaii Planing Mill, Ltd., Kadota Liquor, McCully Works, and several individuals testified in support of this measure. The Department of Land and Natural Resources, Hawaii Community Development Authority, and Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the name and references of the development district to the Hilo Community Economic Development District;
- (2) Appropriating funds for additional positions to administer and establish the development district and a newly created satellite office; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests inserting appropriation amounts of:

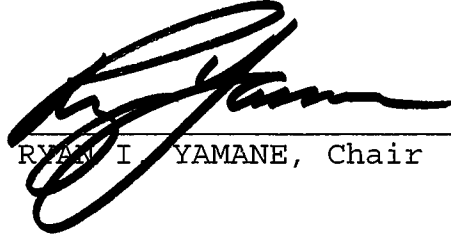
- (1) \$520,000 for the establishment of four and one half full-time equivalent (4.50 FTE) planner positions in the Hawaii Community Development Authority to establish and administer the Hilo Community Economic Development District;
- (2) \$430,000 for the annual operating expenses of the newly established Hilo Community Economic Development District;
- (3) \$50,000 for the initial start-up costs of a satellite office in the Banyan Drive area of Hilo, Hawaii; and
- (4) \$100,000 for the annual operating costs of a satellite office in the Banyan Drive area of Hilo, Hawaii.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1479, H.D. 1, as amended herein, and recommends that it be



referred to your Committee on Finance in the form attached hereto
as H.B. No. 1479, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,



RYAN I. YAMANE, Chair



