

Honolulu, Hawaii

February 14, 2018

RE: H.B. No. 2073
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 2073 entitled:

"A BILL FOR AN ACT RELATING TO URBAN REDEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize a local redevelopment agency to contract with a developer for construction of non-residential uses on public land within a redevelopment area; and
- (2) Exempt construction of works or improvements of a redevelopment project from General Excise and Use Taxes.

An individual supported this measure. Hawaiian Civic Club of Honolulu opposed this measure. The Department of Land and Natural Resources, Department of Taxation, Office of Hawaiian Affairs, and Ho'omanapono Political Action Committee provided comments.

Your Committee has amended this measure by:

- (1) Establishing a ten-year pilot project that allows a local redevelopment agency to contract with a developer for construction of non-residential uses on public land

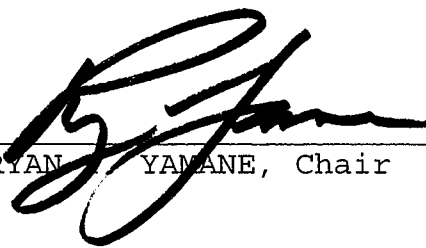


within the Kanoelehua Industrial Area and Banyan Drive region;

- (2) Amending the general excise tax exemption to clarify that all gross income received for the construction of any work or improvements of a redevelopment project shall be exempt from the general excise tax;
- (3) Requiring that this measure be repealed on June 30, 2028;
- (4) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity and consistency.

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. 2073, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2073, H.D. 1, and be referred to your Committee on Finance.

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



RYAN YAMANE, Chair



State of Hawaii
House of Representatives
The Twenty-ninth Legislature

HSCR 376-18

Record of Votes of the Committee on Water & Land

Bill/Resolution No.: <i>HB 2073</i>	Committee Referral: <i>WAL, FIN</i>	Date: <i>02/02/2018</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. TODD, Chris (VC)	✓			
3. CULLEN, Ty J.K.	✓			
4. KONG, Sam Satoru	✓			
5. LEE, Chris				✓
6. LOWEN, Nicole E.	✓			
7. McKELVEY, Angus L.K.	✓			
8. THIELEN, Cynthia			✓	
TOTAL (8)	<i>6</i>	<i>0</i>	<i>1</i>	<i>1</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____ <i>Chris Todd</i>				
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