

STAND. COM. REP. NO.

2089

Honolulu, Hawaii

FEB 08 2018

RE: S.B. No. 3057

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Public Safety, Intergovernmental, and
Military Affairs, to which was referred S.B. No. 3057 entitled:

"A BILL FOR AN ACT RELATED TO LAND-SECURED FINANCING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the authority of counties to use land-based financing to support operating costs for certain county services provided within improvement districts and community facilities districts;
- (2) Allow county maintenance of the capital improvements to be land-based financed; and
- (3) Authorize counties to use up to an unspecified percent of the assessment or tax revenues to cover administrative expenses in creating and administering the improvement district or community facilities district and the associated assessments, fees, and taxes.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that securing the financial strength of the counties is essential to securing the public's interests.



However, with tightening budgets, the counties are finding it more difficult to support annual operating costs. Under similar circumstances, other jurisdictions have successfully employed land-based, or land-secured, financing to support their operating costs. Your Committee finds that counties in the State could similarly benefit from an expanded authority to use land-based financing to support operating costs for certain county services and improvements.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3057 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety,
Intergovernmental, and Military
Affairs,



CLARENCE K. NISHIHARA, Chair



