

STAND. COM. REP. NO.

968

Honolulu, Hawaii

MAR 01 2019

RE: S.B. No. 586  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 586 entitled:

"A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES,"

begs leave to report as follows:

The purpose and intent of this measure is to require certain developments of nonresidential projects and transient accommodations to contribute to the funding of public education.

Specifically, this measure repeals the school impact fee exemptions for nonresidential development and housing subject to the transient accommodations tax when seeking development in a designated school impact district requiring county subdivision approval, a county building permit, or condominium property regime approval of the project.

Your Committee received written comments in support of this measure from the Democratic Party of Hawaii Education Caucus and Hawaii State Teachers Association.

Your Committee received written comments on this measure from the Department of Education and Tax Foundation of Hawaii.

Your Committee finds that nonresidential development and housing subject to transient accommodations tax generates jobs that make nearby neighborhoods more attractive to workers and



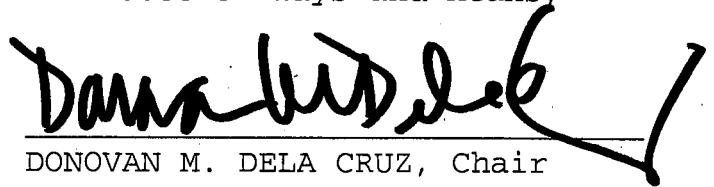
968

their families. The resulting increase in residential development, in turn, increases the need for additional public schools to serve these areas. Accordingly, your Committee finds that this measure will contribute to offsetting the cost of providing a public education within rapidly developing areas of the State.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 586, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 586, S.D. 1.

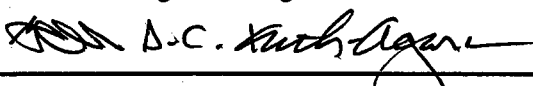
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 586</b>	Committee Referral: <b>EDU/HOU, WAM</b>	Date: <b>2/13/19</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene		X		
INOUE, Lorraine R.	X			
KAHELE, Kaiali'i	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			<del>3</del> <b>GRD</b>
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>11</b>	<b>1</b>		<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes