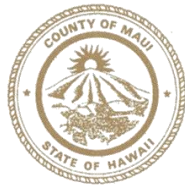


Michael P. Victorino  
Mayor

Sananda K. Baz  
Managing Director



**OFFICE OF THE MAYOR**  
COUNTY OF MAUI  
200 S. HIGH STREET  
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January 13, 2020

To: The Honorable Senator Donovan M. Dela Cruz, Ways and Means,  
Chair  
The Honorable Senator Gilbert S. C. Keith-Agaran, Ways and Means,  
Vice Chair  
and Members of the Committee on Ways and Means

Subject: Informational Briefing with County Mayors and  
Maui County's Priorities - 2020

Thank you for allowing me the opportunity to brief you on the matters of importance to Maui County. I wish to maintain a strong collaborative relationship with the State Legislature and am seeking support for the following priorities and challenges facing Maui County:

- Implement and expand the ALOHA Homes Program in Maui County
- Planning and design for a new Central Maui Middle School
- Strategic plan funding for Honoapiilani Highway in West Maui
- Planning for the Paia Relief Routes with set aside appropriations

My legislative priorities are:

**GET Surcharge Extension**

Amend Sections 46-16.8 and Section 238-2.6, Hawaii Revised Statutes ("HRS"), relating to taxation, to extend the deadline for the counties to pass an ordinance to establish a surcharge on the general excise tax for the operating or capital costs of public transportation within Maui county for public transportation systems. To allow Maui County to accept a proposed surcharge on the State's general excise tax for transportation related purposes.

**Relating to Invasive Species - Axis Deer**

Appropriates funds to the Department of Land and Natural Resources for the management of the axis deer population in Maui County. In Maui County, ranchers and farmers face problems where deer populations have exploded at

the expense of local agriculture, animals in the forest and native plants that are vital to watershed areas. The legislature further promotes local and sustainable food production and finds that axis deer pose a significant threat to local economies.

### **Land Use Commission (LUC)**

Amend HRS 205-4 to increase the 15-acre exemption for Land Use Commission amendments to district boundaries. Amendments to district boundaries involving land areas greater than [~~fifteen~~] twenty-five acres. (a) Any department or agency of the State, any department or agency of the county in which the land is situated, or any person with property interest in the land sought to be reclassified, may petition the land use commission for a change in the boundary of a district. This section applies to all petitions for changes in district boundaries of lands within conservation districts, lands designated or sought to be designated as important agricultural lands, and lands greater than [~~fifteen~~] twenty-five acres in the agricultural, rural, and urban districts, except as provided in section 201H-38. The land use commission shall adopt rules pursuant to chapter 91 to implement section 201H-38.

### **State Historic Preservation Division (SHPD)**

The legislature will instruct the state auditor to provide an operational or management audit to improve accountability to the State Historic Preservation Division (SHPD). A management audit will attempt to evaluate SHPD's methods, policies and processes. Other government entities, landowners, Hawaiian Practitioners and OHA have noted concerns that support amendments to SHPD's administrative rule. Concerns about SHPD were also noted by a 2010 review of the Hawaii SHPD by the National Park Service, who also found significant operational problems with the division. Despite the apparent need for greater regulatory guidance to address issues, no administrative rules have been made for many years. There have not been any updates to administrative rules relating to iwi kupuna and burial sites for over 23 years. The audit will attempt to improve accountability for archaeologists responsible for surveying developing sites. It is chronicled by OHA's compliance division that SHPD's procedural methods are persistent with inconsistencies.

### **Wailuku Water Company's Ditch System and 8,764 acres.**

- Wailuku Water Company's ditch system and 8,764 acres of its West Maui Mountains. The lands involve Conservation lands.
- \$9.5m is the suggested purchase price for the water system and the conservation lands.

- Partnership with the Hawaii State Legislature will expend appropriations for the Wailuku Water Company's water system and preserving historical sites and open space, including Iao Valley.
- The amount of water taken from the area is regulated by the State Commission on Water Resource Management.
- The County of Maui Department of Water Supply pays approximately \$500,000.00 (half a million) a year in water delivery fees. The delivery fees sever once the county operates the system.

**New Maui Jail or Relocation of Maui Jail to Puunene.**

- Maui Community Correctional Center, the island's only jail, has been overcrowded for years. With an operational capacity of 301 beds, inmate's totals have reached nearly 500 in the past, with inmates sleeping on floors next to toilets.
- Maui County supports the state's efforts to relocate a new Maui jail site and will partner with the state legislature through collaborative efforts to develop the new Maui jail relocation to state-owned lands in Pulehunui..

Lastly, I would like to submit Maui County's support for your consideration:

**Kupuna Caucus**

- Support DOH budget request for funding for Kupuna Care. These funds are used to pay for in-home services for the elderly to allow them to remain in their homes and avoid institutionalization.
- Support DOH's budget request to increase funding to the Rental Housing Revolving kupuna caregivers. This program helps to pay for services such as adult day care that will enable family caregivers to maintain employment and still be able to give care to the elderly in a home setting.
- DOH's budget request for funding for the Aging and Disability Resource Center (ADRC) which provides a one-stop resource center for the aging and disability communities to access services.
- Support DOH's Healthy Aging Senior Program (HASP) which provides funding for the senior exercise programs and health maintenance programs to deal with chronic illnesses.

**Housing and Human Concerns:**

- Increase funding to the Rental Housing Revolving Fund (HHFDC) – Increase inventory of affordable units that people earning very little money will be able to afford.
- Support for continued/increased funding for the State’s Housing First Program which provides permanent supportive housing funds on Maui.
- Support the Assisted Community Treatment Act which will serve unsheltered individuals experiencing severe mental illness and who are engaging in services but are cycling through hospitals and jails, and who may be dangerous to themselves or others.

Relating to Transient Accommodations Hosting Platforms and Relating to Transient Accommodations:

Legislation from 2019. HB400 and SB1292.

- Authorizing the counties to regulate hosting platforms as a business practice.
- Requiring the Department of Taxation to collect information that identifies the physical location of the transient accommodation. The counties may be able to identify illegal accommodations.

Thank you for the opportunity to present my priorities and explain the pressing needs facing Maui County.

Sincerely,



Michael P. Victorino  
Mayor, County of Maui

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# A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Section 46-16.8, Hawaii Revised Statutes, is  
2 amended follows:

3 1. By amending subsection (c) to read:

4 "(c) Each county that has not established a surcharge on  
5 state tax prior to July 1, 2015, may establish the surcharge at  
6 the rates enumerated in sections 237-8.6 and 238-2.6. A county  
7 electing to establish this surcharge shall do so by ordinance;  
8 provided that:

9 (1) No ordinance shall be adopted until the county has  
10 conducted a public hearing on the proposed ordinance;

11 (2) The ordinance shall be adopted prior to March 31,

12 [~~2019~~] 2021; and

13 (3) No county surcharge on state tax that may be

14 authorized under this subsection shall be levied prior

15 to January 1, 2019, or after December 31, 2030.

16 A county electing to exercise the authority granted under

17 this subsection shall notify the director of taxation within ten

1 days after the county has adopted a surcharge on state tax  
2 ordinance. Beginning on January 1, 2019, or January 1, 2020, or  
3 January 1, 2021 as applicable pursuant to sections 237-8.6 and  
4 238-2.6, the director of taxation shall levy, assess, collect,  
5 and otherwise administer the county surcharge on state tax."

6 2. By amending subsection (f) to read:

7 "(f) Each county with a population equal to or less than  
8 five hundred thousand that adopts a county surcharge on state  
9 tax ordinance pursuant to this section shall use the surcharges  
10 received from the State for:

11 (1) Operating or capital costs of public transportation  
12 within each county for public transportation systems, including  
13 public roadways or highways, public buses, trains, ferries,  
14 pedestrian paths or sidewalks, or bicycle paths; and

15 (2) Expenses in complying with the Americans with  
16 Disabilities Act of 1990 with respect to paragraph (1)."

17 SECTION 2. Section 237-8.6, Hawaii Revised Statutes, is  
18 amended as follows:

19 1. By amending subsection (b) to read:

20 "(b) Each county surcharge on state tax that may be  
21 adopted or extended pursuant to section 46-16.8 shall be levied  
22 beginning in a taxable year after the adoption of the relevant  
23 county ordinance; provided that no surcharge on state tax may be  
24 levied:

- 1 (1) Prior to:
- 2 (A) January 1, 2007, if the county surcharge on state  
3 tax was established by an ordinance adopted prior  
4 to December 31, 2005; ~~[or]~~
- 5 (B) January 1, 2019, if the county surcharge on state  
6 tax was established by the adoption of an  
7 ordinance after June 30, 2015, but prior to June  
8 30, 2018; or
- 9 (C) January 1, 2020, if the county surcharge on state  
10 tax was established by the adoption of an  
11 ordinance on or after June 30, 2018, but prior to  
12 March 31, 2019; ~~[and]~~; or
- 13 (D) January 1, 2021, if the county surcharge on state  
14 tax was established by the adoption of an  
15 ordinance on or after June 30, 2019, but prior to  
16 ~~March-June 30~~, 2020; and"
- 17

18 SECTION 3. Section 238-2.6, Hawaii Revised Statutes, is  
19 amended by amending subsection (b) to read as follows:

20 "(b) Each county surcharge on state tax that may be  
21 adopted or extended shall be levied beginning in a taxable year  
22 after the adoption of the relevant county ordinance; provided  
23 that no surcharge on state tax may be levied:

24 (1) Prior to:

1 (A) January 1, 2007, if the county surcharge on state  
2 tax was established by an ordinance adopted prior  
3 to December 31, 2005; [~~or~~]

4 (B) January 1, 2019, if the county surcharge on state  
5 tax was established by the adoption of an  
6 ordinance after June 30, 2015, but prior to June  
7 30, 2018; or

8 (C) January 1, 2020, if the county surcharge on state  
9 tax was established by the adoption of an  
10 ordinance on or after June 30, 2018, but prior to  
11 March 31, 2019; [~~and~~]or

12 (C) January 1, 2021, if the county surcharge on state  
13 tax was established by the adoption of an  
14 ordinance on or after June 30, 2019, but prior to  
15 ~~March-June 30~~, 2020; and

16 (2) After December 31, 2030."

17 SECTION 4. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

[Maui County Mayor Package;](#) General Excise Tax; County Surcharge on State Tax; Extension

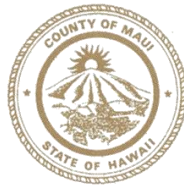
**Description:**

Extends the period in which a county may adopt a surcharge on state tax, under certain conditions, from 3/31/~~2019~~-2020 to ~~6~~3/~~30~~1/~~2020~~2021.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

Michael P. Victorino  
Mayor

Sananda K. Baz  
Managing Director



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January 5, 2020

To: The Honorable Representative Scott Saiki, Speaker  
The Honorable Representative Sylvia Luke, Finance Chair

Subject: **County of Maui Transportation Plan for Funds Generated from G.E. Surcharge**

Funds generated from the GE Surcharge for Maui County will go into a G.E. Tax Fund and are planned to benefit Maui County's Long-Range Transportation plans for land-transportation improvements, including roadways, bridges and land acquisition as well as Maui's public bus system.

Molokai and Lanai may not have heavy traffic congestion but repairs for bridges, roadways and applicable road infrastructures are in need of maintenance and repairs. The East Maui District, including Hana and other rural areas rely on maintenance for its roadways and improved safety of its transportation avenue.

**East Maui Bridge Rehabilitation Projects**

- *Cost estimate: \$30 million for design and construction of various bridge projects.*
- *Involves the replacement and rehabilitation of County bridges to ensure accessibility, a safe riding surface, and to maintain our bridges in a state of good repair.*

Maui's 2040 Long Range Transportation Plan adopted by the Maui MPO Policy Board on December 12, 2019 built on previous plans and public input to create a list of priority projects to help achieve the island's vision for safety, resilience, and affordability. Many of these identified projects would be advanced if Maui implements a GET surcharge.

Maui County demonstrated that there is an \$800 million funding gap over the next 20 years to complete projects on State and County roads that are eligible for federal funding. Of that, approximately \$280 million of the gap corresponds

to Maui County road improvements, bridge repairs, bus service and bicycle and pedestrian improvements. Additionally, County roads that are not eligible for federal aid could be repaired sooner with GET surcharge revenues.

### **Countywide Road Resurfacing and Pavement Preservation**

- *Cost estimate: \$10 million annually for in-house/consultant design and construction to reconstruct, resurface, preserve (slurry seal) approximately 80 lane miles.*
- *Approximately 1,100 lane miles under County roadway jurisdiction.*
- *Involves preventive maintenance, routine maintenance, and minor rehabilitation of County roads; enhances pavement performance, extends pavement life, provides improved safety and mobility.*

Below is a selection of Maui transportation projects that could be funded with GET surcharge:

#### 1. Increase Bus Service

- *Cost estimate: \$20 million for bus purchases and operating costs.*
- *Department of Transportation will build its own Transit maintenance facility.*
- *Increase the frequency of current service; add additional bus routes as demand requires; test micro transit flexible on-demand solutions.*

#### 2 Bus Transit Hubs

- *Cost estimate \$80 million for design and construction.*
- *\$3-\$15 million per hub depending on size and amenities plus \$50 million for Waikapu Base yard, to include electric bus infrastructure.*
- *Kahului Transit Hub on Vevau St scheduled for construction in 2020; other locations TBD; Maui Short Range Transit Plan calls for hubs in Central Maui, Kihei, Lahaina and Pa'ia.*

#### 3 Bus Transit Corridors

- *Cost estimate \$30 million (approx. \$5 million per mile).*
- *Kahului-Wailuku TOD study could provide a template for other parts of Maui; transit corridors provide safe, convenient connections to bus transit; affordable housing and walkable mixed-use development near the stations.*

#### 4. Complete Streets, Intersection Improvements, Sidewalks and Multiuse Paths

- *Cost estimate: \$50 million for design and construction of various projects.*
- *Improve safety for people walking and biking, especially near schools, parks transit hubs and town centers; use opportunity when roads are reconstructed to improve safety for all users.*
- *Intersection Improvements, Sidewalks and Multiuse Paths can also include construction of various projects on Lanai and Molokai*

5. *.Kihei North-South Collector Road*

- *Cost estimate \$60 million for design and construction of two lane road and multiuse path.*
- *Delivery target: Phase 1a to Kulanihakoi Street in 2022, other phases to follow.*
- *Help alleviate traffic on Pi'ilani Highway and South Kihei Road; provides a safe alternative route connecting schools, shopping and neighborhoods within Kihei.*

6. *Lono Avenue Extension*

- *Cost estimate: \$10 million.*
- *Short distance to connect to Kuihelani Highway; would alleviate traffic bottleneck on Pu'unene Avenue.*

7. *Imi Kala Road Extension*

- *Cost estimate: \$30 million.*
- *New connection between Wai'ehu and Wailuku would alleviate traffic congestion on Market St and Wai'ehu Beach Road and remove a barrier to affordable housing in Pi'ihana district.*

There are many road, bridge and storm water improvements made by the Department of Public Works Highways Division. GET surcharge revenues would support increased budget for preventative maintenance and repairs to extend the service life of existing assets. Staff capacity will be needed to implement additional projects, whether federal-aid or entirely County-funded.

As Maui's population grows, decision makers are tasked with difficult choices as they work to maintain quality of life for residents. Maui's long-range plan considered many funding options, and GET surcharge emerged as one of the most viable sources. It is estimated that 30-40% of GET surcharge would be borne by visitors. Mechanisms like the earned income tax credit can offset potential regressive impacts of the surcharge to lower income residents. Investing additional revenues in needed improvements to Maui's roads and bus

January 5, 2020

Page 4

service will pay itself back in reduced traffic congestion and better public health as more people are encouraged to use public transportation and walk places.

Sincerely,

A handwritten signature in black ink that reads "Michael P. Victorino". The signature is written in a cursive style with a prominent initial "M" and a long, sweeping underline.

Mayor Michael P. Victorino  
County of Maui

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# A BILL FOR AN ACT

RELATING TO INVASIVE SPECIES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

SECTION 1. The legislature finds that in Hawaii, the Chital, commonly known as "axis deer" population has been particularly damaging on farms and ranches in Maui County, where the numbers have grown exponentially. Axis deer are known pests of agriculture, as well as native and culturally significant plants, many of which are already endangered.

In Maui County, ranchers and farmers face problems where deer populations have exploded at the expense of local agriculture, animals in the forest and native plants that are vital to watershed areas. Maui County's efforts to work toward greater food sustainability, protecting local food production from the devastating impacts of axis deer is critical.

The legislature further promotes local and sustainable food production and finds that axis deer pose a significant threat to local economies by destroying crops and competes with livestock for forage.



The legislature further finds that although the axis deer population may be referred to as an invasive species, it also significantly contributes to the subsistence hunting lifestyle and cultural practices of the residents of Maui, Molokai and Lanai. Accordingly, available resources should be focused on the management of the axis deer population to mitigate its negative environment, and food production impacts.

The purpose of this Act is to appropriate funds to substantially reduce and manage the axis deer overpopulation in the county of Maui; provided that the population of axis deer shall be managed properly rather than eradicated.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3.5M or so much thereof as may be necessary for fiscal year 2021-2022 and the same sum or so much thereof as may be necessary for fiscal year 2021-2022 for activities relating to the management of the axis deer population in the county of Maui.

The sums appropriated shall be expended by the department of Land and Natural resources for the purposes of this Act.

SECTION 3. This Act shall take effect on July 31, 2150.



**Report Title:**

Maui County Mayor Package; Invasive Species; Maui County;  
Appropriation

**Description:**

Appropriates funds to the Department of Land and Natural Resources for the management of the axis deer population in Maui County.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

Invasive SpeciesAxis DeerWAM2020

