



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2022**

ON THE FOLLOWING MEASURE:

H.B. NO. 1827, RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT.

BEFORE THE:

HOUSE COMMITTEE ON WATER AND LAND

DATE: Tuesday, February 15, 2022 **TIME:** 8:30 a.m.

LOCATION: State Capitol, Room 430, Via Videoconference

TESTIFIER(S): Holly T. Shikada, Attorney General, or
Lori K.K. Sunakoda or Kelly K. Suzuka, Deputy Attorneys General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General provides the following comments.

The stated purpose of this bill is to establish a new community development district in Pulehunui, Maui. The bill contains proposed amendments relating to the establishment of the Pulehunui community development district and additional proposed amendments relating to: (1) the composition of the Hawaii Community Development Authority (HCDA) and (2) the nomination process involving HCDA board members.

The amendments related to the composition of the HCDA and the nomination process involving HCDA board members appear to be beyond the scope of the title of the bill, "[a] Bill for an Act Relating to the Pulehunui Community Development District." Article III, section 14, of the Hawaii State Constitution, provides in part: "[e]ach law shall embrace but one subject, which shall be expressed in its title." See also Schwab v. Ariyoshi, 58 Haw. 25, 34, 564 P.2d 135, 141 (1977).

The title of the bill may not reasonably cover the amendments related to the composition of the HCDA and the nomination process involving HCDA board members. To address this issue, the Committee may wish to consider revising the bill to delete the amendments contained in the second section 2 of the bill on page 6, line 4, through page 15, line 8, relating to additional subjects that do not appear to be embraced in the title of the bill.

Thank you for this opportunity to provide testimony.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON WATER & LAND
HEARING ON FEBRUARY 15, 2022 AT 8:30AM VIA VIDEOCONFERENCE

HB 1827 RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT

February 15, 2022

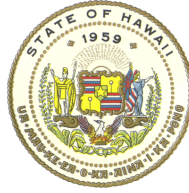
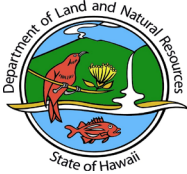
Aloha Chair Tarnas, Vice Chair Branco, and members of the Committee:

Thank you for the opportunity to testify in support of House Bill 1827, which establishes the Pulehunui community development district.

The Department of Hawaiian Home Lands (DHHL) has been leading an effort to develop a regional infrastructure master plan to serve certain State lands in Pulehunui in a manner that is financially and environmentally efficient, maximizing the use of State funds while minimizing environmental impacts to the extent practicable. The Pulehunui community development district proposed in this bill does not include the parcels DHHL owns in Pulehunui, but are adjacent to DHHL lands. DHHL supports any effort toward obtaining funds to develop in this area.

Thank you for your consideration of our testimony.

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
WATER & LAND**

**Tuesday, February 15, 2022
8:30 AM**

State Capitol, Conference Room 430, Via Videoconference

**In consideration of
HOUSE BILL 1827
RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT**

House Bill 1827 proposes to: 1) establish the Pulehunui Community Development District, 2) establish community district authority boards for each community development district, 3) amend the membership and reassign certain duties of the Hawaii Community Development Authority (HCDA) to the community development district authority boards. **The Department of Land and Natural Resources (Department) appreciates and supports the intent this measure and offers the following comments.**

The Department desires to develop an approximately 280-acre portion of the property identified as Tax Map Key (2) 3-8-008:001 for a light industrial and business park. The Department intends to lease a variety of small, medium and large lots to private lessees for the purpose of generating income to support the Department's resource protection programs. This project will also require the provision of necessary infrastructure, including water and wastewater systems, at significant costs. The Department is working with other State and county agencies in order to address these issues. The establishment of the Pulehunui Community Development District would authorize its managing Pulehunui Community Development District authority board to obtain various forms of federal funding for planning, design, construction, maintenance, and development projects in the Pulehunui Community Development District. The Department supports this measure due to its potential to address the significant infrastructure costs for its proposed industrial and business park as well as other State projects located within the Pulehunui Community Development District.

The Department does have concerns that the measure excludes the Department as a land managing stakeholder agency from membership of the Pulehunui Community Development District authority board governing the development district. This would deprive the Department of the ability to participate in the entity granted the authority to enter into agreements which would greatly impact the planning and development of lands under the Department's management. Furthermore, the exclusion of the Department as a stakeholder agency from membership in the

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

authority board would result in creating an additional layer of bureaucracy beyond existing state and county land use regulations. Furthermore, the Department defers to HCDA with respect to the amendments that affect its membership and administrative duties.

The Department notes that the Pulehunui Community Development District Special Fund established by the measure, states that “all revenues, income, and receipts for the district” shall be deposited into the fund. The Department understands the provision does not extend to any revenues, income and receipts generated by the properties located within the Pulehunui Community Development District. If the Department’s understanding is correct, the Department respectfully requests that the committees consider amending the measure to clarify the scope of that provision. If the intent is for the special fund to receive revenues generated from the use of lands located with the district, then the Department opposes the diversion of funds due to the detrimental impact on the Department’s ability to fund its resource management and protection programs.

Finally, the Department requests the following amendment (highlighted in yellow) adding a new subsection (E) to include the Chairperson of the Board of Land and Natural Resources or Chairperson’s designee as a member of the Pulehunui Community Development District:

- (4) For matters affecting the Pulehunui community development district, the following members shall be considered in determining quorum and majority and shall be eligible to vote:
 - (A) The director of finance or the director's designee;
 - (B) The director of transportation or the director's designee;
 - (C) The director of business, economic development, and tourism or the director's designee;
 - (D) The director of planning and permitting for the county in which the Pulehunui community development district is located or the director's designee;

(E) The chairperson of the board of land and natural resources or the chairperson's designee;

~~(E)~~ (F) The cultural specialist;

~~(F)~~ (G) The two at-large members; and

~~(G)~~ (H) The two representatives of the Pulehunui community development district.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON WATER & LAND
ON
HOUSE BILL NO. 1827

February 15, 2022
8:30 a.m.
Room 430 and Videoconference

RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 1827: establishes the Pulehunui Community Development District (PCDD) for the redevelopment of public lands on the island of Maui; provides for redevelopment of the district; amends the membership of the Hawai'i Community Development Authority (HCDA); and creates the PCDD Special Fund that would generate revenues through the income, revenues and receipts of HCDA for the district, funds directed to the district from government agencies or private entities, and legislative appropriations. H.B. No. 1827 does not appropriate any funds.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or

activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 1827, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

547 Queen Street, Honolulu, Hawaii 96813
Telephone: (808) 594-0300 Fax: (808) 587-0299
Web site: <http://dbedt.hawaii.gov/hcda/>

DAVID Y. IGE
GOVERNOR

SUSAN TODANI
CHAIRPERSON

DEEPAK NEUPANE, P.E., AIA
EXECUTIVE DIRECTOR

Statement of
DEEPAK NEUPANE
Executive Director
Hawaii Community Development Authority
before the

HOUSE COMMITTEE ON WATER & LAND

Tuesday, February 15, 2022
8:30 a.m.

VIA Videoconference, State Capitol, Conference Room 430

In consideration of
HB 1827
RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT.

Chair Tarnas, Vice Chair Branco, and members of the Committee.

The Hawaii Community Development Authority (HCDA) **supports HB 1827 with amendments.** This measure establishes the Pulehunui community development district and board to be placed within HCDA and administratively attached to the Department of business, economic development, and tourism, to facilitate the development and improvement of state-owned lands in Pulehunui, Maui.

It would allow HCDA to facilitate and lead regional infrastructure planning between several State agencies and ensure the most efficient use of State funds.

It would also enable HCDA to engage with the U.S. Department of Agriculture's Rural Development division about potentially utilizing federal infrastructure funds to finance regional infrastructure improvements as well as the new correctional facility.

The HCDA has considerable experience in implementing infrastructure improvements and facilitating development and welcomes the opportunity to use its development expertise in facilitating development and improvement in Pulehunui.

We also offer comments for the committees' consideration. Concerns have been raised about the narrow title of the bill. The title of the bill limits the contents of the bill. If the intent of the committees is to move this bill forward, we respectfully suggest that the content of this bill be limited to establishing the Pulehunui community development district. For ease of reference, we enclose a Ramseyer formatted draft revised bill for the committees' consideration.

We will be glad to answer any questions.

A BILL FOR AN ACT

RELATING TO THE PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT.

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

1 SECTION 1. The legislature finds that public lands in
2 Pulehunui, Maui, are underutilized. Redeveloping, renovating,
3 or improving these public lands to provide suitable
4 recreational, residential, educational, industrial,
5 governmental, and commercial areas where the public can live,
6 congregate, recreate, attend schools, and shop as part of a
7 thoughtfully integrated experience is in the best interest of
8 the State.

9 The purpose of this Act is to establish the Pulehunui
10 community development district within Chapter 206E, Hawaii
11 Revised Statutes, and establish a board that is placed within
12 the authority and attached to the department of business,
13 economic development, and tourism for administrative purposes
14 and for the purpose of managing the district.

15 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
16 amended by adding a new part to be appropriately designated and
17 to read as follows:

S.B. NO.

1 **"PART . PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT**

2 **§206E- Definitions.** As used in this part:

3 "Board" means the Pulehunui community development district
4 board as further described in section 206E-

5 "District" means the Pulehunui community development
6 district.

7 "Fund" means the Pulehunui community development special
8 fund.

9 **§206E- District established; boundaries.** (a) The
10 Pulehunui community development district is hereby established
11 [~~under~~]within the authority.

12 (b) The authority shall serve as the local redevelopment
13 agency for the district.

14 (c) The district shall comprise the following
15 properties:

16 (1) TMK 2-3-8-008-001;

17 (2) TMK 2-3-8-008-007;

18 (3) TMK 2-3-8-008-037; and

19 (4) TMK 2-3-8-008-038.

20 **§206E- Development policies.** The following development
21 policies shall guide the [~~authority~~]board in the district:

S.B. NO.

1 (1) Archaeological, historical, and cultural sites shall
2 be preserved and protected in accordance with
3 chapter 6E;

4 (2) Endangered species of flora and fauna shall be
5 preserved to the extent required by law;

6 (3) Land use and development activities within the
7 district shall be coordinated with and, to the extent
8 possible, complement existing county and state
9 policies, plans, and programs affecting the district;
10 and

11 (4) Public facilities within the district shall be
12 planned, located, and developed to support the
13 development policies established by this part and any
14 rules adopted pursuant to this part.

15 **§206E- Financial aid from the federal government;**

16 **contracts with the federal government.** (a) the board
17 [~~authority~~] may secure financial aid from the federal government
18 for any planning, design, development, construction, and
19 maintenance work that the [~~authority~~]board is authorized to
20 undertake.

S.B. NO.

1 (b) In addition, and supplemental to the powers granted to
2 the authority under section 206E-4, the [authority]board may:

3 (1) Borrow moneys or accept grants from the federal
4 government in aid of or for any development project
5 the [authority]board is authorized to undertake
6 pursuant to this part;

7 (2) Issue bonds or other evidence of indebtedness and
8 pledge revenues and other assets as security for
9 indebtedness incurred pursuant to this part;

10 (3) Repay any indebtedness, including any interest
11 incurred thereon by the [authority]board pursuant to
12 this part;

13 (4) Procure insurance or loan guarantees from the federal
14 government for the payment of any debts or parts
15 thereof secured by mortgages made by or held by the
16 [authority]board;

17 (5) Execute contracts with the federal government in
18 accordance with this part; and

19 (6) Comply with terms and conditions required by the
20 federal government in any contract or grant for
21 federal assistance.

S.B. NO.

1 (c) It is the purpose and intent of this section to
2 authorize the [~~authority~~]board to do all things necessary to
3 secure the cooperation of and financial aid from the federal
4 government for any planning, design, development, construction,
5 and maintenance work that the [~~authority~~]board is authorized to
6 undertake pursuant to this part.

7 **§206E- Pulehunui community development district special**
8 **fund.** (a) There is established in the state treasury the
9 Pulehunui community development special fund into which shall be
10 deposited:

- 11 (1) All revenues, income, and receipts of the authority
12 for the district;
- 13 (2) Moneys directed, allocated, or disbursed to the
14 district from government agencies or private
15 individuals or organizations, including grants, gifts,
16 awards, donations, and assessments of landowners, for
17 costs to administer and operate the district; and
- 18 (3) Moneys appropriated to the fund by the legislature.

19 (b) Moneys in the fund shall be used only for the purposes
20 of this part.

S.B. NO.

1 (c) Investment earnings credited to the assets of the fund
2 shall become assets of the fund.

3 **§206E- Annual comprehensive report.** No less than
4 twenty days prior to the convening of each regular session, the
5 authority shall submit to the legislature an annual
6 comprehensive report on the progress of development within the
7 district.

8 **§206E- Rules; adoption.** The ~~[authority]~~board may adopt
9 rules in accordance with chapter 91 to carry out the purposes of
10 this part. ["]

11 ~~[SECTION 2.]~~Section 206E-~~[3]~~__, Hawaii Revised Statutes,
12 Pulehunui community development district board; established

13 (a) There is established a Pulehunui community development
14 district board which shall be placed within the
15 authority and attached to the department of business,
16 economic development, and tourism for administrative
17 purposes, and for the purpose of managing the
18 district. The board shall carry out the duties set
19 forth in this part.

20 ~~[is amended by amending subsection (b) to read as follows:]~~ ["]

21 (b) The ~~[authority]~~board shall consist of the following members

S.B. NO.

1 who shall be considered in determining quorum and shall be
2 eligible to vote:

3 (1) the director of finance or the director's
4 designee;

5 (2) the director of transportation or the director's
6 designee;

7 (3) the director of business, economic development,
8 and tourism or the director's designee;

9 (4) The director of planning and permitting for the
10 county in which the Pulehunui community
11 development district is located or the director's
12 designee;

13 (5) [~~the director of planning and permitting of each~~
14 ~~county in which a community development district~~
15 ~~is located or the director's designee;~~] a
16 cultural specialist;

17 (6) [~~an at-large member;~~] an at-large member nominated
18 by the [~~senate~~] president [~~;~~] of the senate;

19 (7) an at-large member nominated by the speaker of
20 the house [~~;~~ ~~three~~] of representatives; [~~two~~
21 ~~representatives of the Heeia community~~

S.B. NO.

1 ~~development district, comprising [two residents]~~
2 ~~one resident of that district or the Koolaupoko~~
3 ~~district, which consists of sections 1 through 9~~
4 ~~of zone 4 of the first tax map key division, and~~
5 ~~one owner of a small business or one officer or~~
6 ~~director of a nonprofit organization in the Heeia~~
7 ~~community development district or Koolaupoko~~
8 ~~district[, nominated by the county council of the~~
9 ~~county in which the Heeia community development~~
10 ~~district is located; three]; two representatives~~
11 ~~of the Kalaeloa community development district,~~
12 ~~comprising [two residents] one resident of the~~
13 ~~Ewa zone (zone 9, sections 1 through 2) or the~~
14 ~~Waianae zone (zone 8, sections 1 through 9) of~~
15 ~~the first tax map key division, and one owner of~~
16 ~~a small business or one officer or director of a~~
17 ~~nonprofit organization in the Ewa or Waianae~~
18 ~~zone[, nominated by the county council of the~~
19 ~~county in which the Kalaeloa community~~
20 ~~development district is located; three] two~~
21 ~~representatives of the Kakaako community~~

S.B. NO.

1 ~~development district, comprising two residents of~~
2 ~~the district and one owner of a small business or~~
3 ~~one officer or director of a nonprofit~~
4 ~~organization in the district[, nominated by the~~
5 ~~county council of the county in which the Kakaako~~
6 ~~community development district is located; the~~
7 ~~director of planning and permitting of each~~
8 ~~county in which a community development district~~
9 ~~is located or the director's designee, who shall~~
10 ~~serve in an ex officio, nonvoting capacity; and~~
11 ~~the chairperson of the Hawaiian homes commission~~
12 ~~or the chairperson's designee, who shall serve in~~
13 ~~an ex officio, nonvoting capacity.}]~~

14 (8) two representatives of the Pulehunui community
15 development district, consisting of one resident
16 of the island of Maui and one owner of a small
17 business or one officer or director of a
18 nonprofit organization on the island of Maui.

19 All members except the director of finance[~~7~~]; director of
20 transportation[~~7~~]; director of business, economic development,
21 and tourism; and Maui county director[~~8~~] of planning and

S.B. NO.

1 permitting [~~and chairperson of the Hawaiian homes commission]~~
2 or their designees shall be appointed by the governor pursuant
3 to section 26-34. The two at-large members nominated by the
4 [~~senate]~~ president of the senate and speaker of the house [~~and~~
5 ~~the nine representatives of the respective community development~~
6 ~~districts]~~ of representatives shall each be appointed by the
7 governor from a list of three nominees submitted for each
8 position by the nominating authority specified in this
9 subsection. The president of the senate and the speaker of the
10 house of representatives shall each submit a list of six
11 nominees for [~~each~~]the two representatives of the Pulehunui
12 community development district to the governor to fill the two
13 district representative positions[~~on each community development~~
14 district]. Of the two nominees for [~~each~~]the Pulehunui
15 community development district, one nominee shall meet the
16 district residency requirement and one nominee shall meet the
17 district small business owner or nonprofit organization officer
18 or director requirement. [~~For each community development~~
19 district, t]The governor shall appoint one member from a list of
20 nominees submitted by the president of the senate, and one

S.B. NO.

1 member from a list of nominees submitted by the speaker of the
2 house of representatives.

3 ~~[The authority shall be organized and shall exercise~~
4 ~~jurisdiction as follows:~~

5 ~~—— (1) For matters affecting the Heeia community development~~
6 ~~district, the following members shall be considered in~~
7 ~~determining quorum and majority and shall be eligible to vote:~~

8 ~~—— (A) The director of finance or the director's~~
9 ~~designee;~~

10 ~~—— (B) The director of transportation or the director's~~
11 ~~designee;~~

12 ~~—— (C) The director of business, economic development,~~
13 ~~and tourism or the director's designee;~~

14 ~~—— (D) The director of planning and permitting for the~~
15 ~~county in which the Heeia community development district is~~
16 ~~located or the director's designee;~~

17 ~~—— [(C)] (E) The cultural specialist;~~

18 ~~—— [(D)] (F) The [three] two at-large members; and~~

19 ~~—— [(E)] (G) The [three] two representatives of the Heeia~~
20 ~~community development district;~~

S.B. NO.

1 ~~_____ [provided that the director of planning and permitting~~
2 ~~of the relevant county or the director's designee shall~~
3 ~~participate in these matters as an ex officio, nonvoting member~~
4 ~~and shall not be considered in determining quorum and majority;]~~

5 ~~_____ (2) For matters affecting the Kalaeloa community~~
6 ~~development district, the following members shall be considered~~
7 ~~in determining quorum and majority and shall be eligible to~~
8 ~~vote:~~

9 ~~_____ (A) The director of finance or the director's~~
10 ~~designee;~~

11 ~~_____ (B) The director of transportation or the director's~~
12 ~~designee;~~

13 ~~_____ (C) The director of business, economic development,~~
14 ~~and tourism or the director's designee;~~

15 ~~_____ (D) The director of planning and permitting for the~~
16 ~~county in which the Kalaeloa community development district is~~
17 ~~located or the director's designee;~~

18 ~~_____ [(C)] (E) The cultural specialist;~~

19 ~~_____ [(D)] (F) The [three] two at-large members; and~~

20 ~~_____ [(E)] (G) The [three] two representatives of the~~
21 ~~Kalaeloa community development district;~~

S.B. NO.

1 ~~_____ [provided that the director of planning and permitting~~
2 ~~of the relevant county and the chairperson of the Hawaiian homes~~
3 ~~commission, or their respective designees, shall participate in~~
4 ~~these matters as ex officio, nonvoting members and shall not be~~
5 ~~considered in determining quorum and majority;]~~

6 ~~_____ (3) For matters affecting the Kakaako community~~
7 ~~development district, the following members shall be considered~~
8 ~~in determining quorum and majority and shall be eligible to~~
9 ~~vote:~~

10 ~~_____ (A) The director of finance or the director's~~
11 ~~designee;~~

12 ~~_____ (B) The director of transportation or the director's~~
13 ~~designee;~~

14 ~~_____ (C) The director of business, economic development,~~
15 ~~and tourism or the director's designee;~~

16 ~~_____ (D) The director of planning and permitting for the~~
17 ~~county in which the Kakaako community development district is~~
18 ~~located or the director's designee;~~

19 ~~_____ [(C)] (E) The cultural specialist;~~

20 ~~_____ [(D)] (F) The three at-large members; and~~

S.B. NO.

1 ~~_____ [(E)] (C) The three representatives of the Kakaake~~
2 ~~community development district;~~
3 ~~_____ [provided that the director of planning and permitting~~
4 ~~of the relevant county or the director's designee shall~~
5 ~~participate in these matters as an ex officio, nonvoting member~~
6 ~~and shall not be considered in determining quorum and majority.]~~

7 and

8 ~~_____ (4) For matters affecting the Pulehunui community~~
9 ~~development district, the following members shall be considered~~
10 ~~in determining quorum and majority and shall be eligible to~~
11 ~~vote:~~

12 ~~_____ (A) The director of finance or the director's~~
13 ~~designee;~~

14 ~~_____ (B) The director of transportation or the director's~~
15 ~~designee;~~

16 ~~_____ (C) The director of business, economic development,~~
17 ~~and tourism or the director's designee;~~

18 ~~_____ (D) The director of planning and permitting for the~~
19 ~~county in which the Pulehunui community development district is~~
20 ~~located or the director's designee;~~

21 ~~_____ (E) The cultural specialist;~~

S.B. NO.

1 ~~_____ (F) The two at-large members; and~~

2 ~~_____ (G) The two representatives of the Pulehunui~~
3 ~~community development district.]~~

4 ~~[In the event of]~~ If a vacancy~~[,]~~ occurs, a member shall be
5 appointed to fill the vacancy in the same manner as the original
6 appointment within thirty days of the vacancy or within ten days
7 of the senate's rejection of a previous appointment, as
8 applicable.

9 The terms of the director of finance~~[,]~~; director of
10 transportation~~[,]~~; director of business, economic development,
11 and tourism; and Maui county director~~[,]~~; of planning and
12 permitting~~[, and chairperson of the Hawaiian homes commission]~~
13 or their respective designees shall run concurrently with each
14 official's term of office. The terms of the appointed voting
15 members shall be for four years, commencing on July 1 and
16 expiring on June 30.~~[, provided that the initial terms of all~~
17 ~~voting members initially appointed pursuant to Act 61, Session~~
18 ~~Laws of Hawaii 2014, shall commence on March 1, 2015.]~~ The
19 governor shall provide for staggered terms of the
20 ~~[initially]~~appointed voting members so that the initial terms of
21 ~~[four]~~one appointed member~~[,]~~ selected by lot shall be for two

S.B. NO.

1 years, the initial terms of [~~four~~] two appointed members
2 selected by lot shall be for three years, and the initial terms
3 of the remaining [~~five~~] two appointed members shall be for four
4 years.

5 The governor may remove or suspend for cause any member
6 after due notice and public hearing.

7 Notwithstanding section 92-15, a majority of all eligible
8 voting members as specified in this subsection shall constitute
9 a quorum to do business, and the concurrence of a majority of
10 all eligible voting members as specified in this subsection
11 shall be necessary to make any action of the [~~authority~~] board
12 valid. All members shall continue in office until their
13 respective successors have been appointed and qualified. Except
14 as herein provided, no member appointed under this subsection
15 shall be an officer or employee of the State or its political
16 subdivisions.

17 For purposes of this section, "small business" means a
18 business [~~which~~] that is independently owned and which is not
19 dominant in its field of operation.

20 (c) The board shall annually elect the chairperson, vice
21 chairperson, and other officers from among its members.

S.B. NO.

1 (d) The members of the board shall serve without
2 compensation, but each shall be reimbursed for expenses,
3 including travel expenses, incurred in the performance of their
4 duties."

5 SECTION 3. [~~Statutory material to be repealed is bracketed~~
6 ~~and stricken. New statutory material is underscored.~~] In
7 codifying the new sections added by section 2 of this Act, the
8 revisor of statutes shall insert appropriate section numbers in
9 designating the new sections in this Act.

10

11 SECTION 4. This Act shall take effect upon its approval.

12

INTRODUCED BY: _____

S.B. NO.

Report Title:

HCDA; Pulehunui Community Development District; Community Development District Authority Boards

Description:

Establishes the Pulehunui community development district. Establishes community development district authority boards for each community development district. Amends the membership and reassigns certain duties of the Hawaii Community Development Authority to the community development district authority boards.

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



HOUSE COMMITTEE ON WATER AND LAND
Tuesday, February 15, 2022 8:30 am, Videoconferenc3
HB 1827

Relating to the Pulehunui Community Development District

TESTIMONY

Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Tarnas and Committee Members:

The League of Women Voters opposes HB 1827.

HB 1827 proposes a politically-appointed State board with authority to regulate (and override county zoning) for “underutilized” public lands at Pulehunui but not to regulate (and override county zoning) for “underutilized” public lands anywhere else in the State. However, Article XI, Section 5 of the Hawaii Constitution prohibits enactment of a “special” law which only applies to public lands at one specific location and nowhere else in the State. This requirement is explained in the Attorney General’s February 1, 2022 testimony on HB 1788. Regardless of whether HB 1827 would violate the State Constitution, the League’s position is that it is simply, obviously wrong for the Legislature to encourage people who might develop or lease public lands at Pulehunui to “play politics” to gain special unfair treatment.

HB 1827 also proposes to change the composition of the HCDA board and to change the process for nomination and selection of HCDA board members. However, Article III, Section 14 of the Hawaii Constitution prohibits enactment of a law which addresses subjects unrelated to the bill’s title. According to the Attorney General’s February 11, 2022 testimony on SB 3224, the State Constitution does not permit the Legislature to change the composition, nomination, and selection of the HCDA board in a bill titled “Relating to the Pulehunui Community Development District”.

Thank you for the opportunity to submit testimony.