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

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

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1781, H.D. 2

February 26, 2024
3:30 p.m.
Room 308 and Videoconference

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

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

House Bill (H.B.) No. 1781, H.D. 2, establishes the Panaewa Community Development District (PCDD) under the Hawai'i Community Development Authority (HCDA) to allow for the planning, development, and maintenance of public lands in Panaewa, Hawai'i; establishes the Panaewa Community Development District Special Fund (PCDDSF) for HCDA to administrate and operate the PCDD; and amends the membership of the HCDA to include representatives for the PCDD. The PCDDSF would generate revenue from the PCDD, legislative appropriations, and by collecting other funds from government agencies and private individuals or organizations.

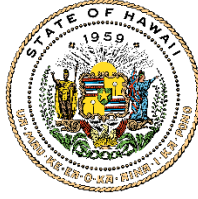
As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully 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. 1781, H.D. 2, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

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DAWN N.S. CHANG
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
FINANCE

Monday, February 26, 2024
3:30 P.M.

State Capitol, Conference Room 308 & Videoconference

In consideration of
HOUSE BILL 1781, HOUSE DRAFT 2
RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

House Bill 1781, House Draft 2 proposes to establish the Panaewa Community Development District under the Hawaii Community Development Authority. **The Department of Land and Natural Resources provides the following comments on the bill.**

The following table shows the size and current disposition of the five parcels listed in the bill that would constitute the proposed development district:

Tax Map Key:	Acreage	Current Disposition
(3) 2-4-049:016	34.954	Unencumbered in conservation district
(3) 2-4-049:017	12.683	Executive Order (EO) 4300 to the Department of Agriculture (DOA) for agriculture purposes
(3) 2-4-049:018	10.875	EO 3524 to the Department of Public Safety for Hale Nani Work Release Center
(3) 2-4-049:032	9.079	EO 4300 to DOA for agriculture purposes
(3) 2-4-049:033	4.264	Unencumbered in conservation district

Mahalo for the opportunity to testify on this measure.

HB-1781-HD-2

Submitted on: 2/26/2024 2:49:37 AM

Testimony for FIN on 2/26/2024 3:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Russell Tsuji	Department of Land and Natural Resources	Comments	Remotely Via Zoom

Comments:

Written testimony from DLNR previously submitted on another Capitol account. Request for a Zoom link for additional DLNR staff testifying remotely for HB1781 HD2.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

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JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

CHASON ISHII
CHAIRPERSON

CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO
Executive Director
Hawaii Community Development Authority
before the
HOUSE COMMITTEE ON FINANCE

Monday, February 26, 2024
3:30 p.m.
State Capitol, Conference Room 308 & Videoconference

In consideration of
HB 1781, HD2
RELATING TO HAWAII COMMUNITY DEVELOPMENT AUTHORITY

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee. The Hawaii Community Development Authority (HCDA) **supports** this bill which establishes the Panaewa community development district to allow for planning, development, and maintenance of public lands in Panaewa, Hilo, Hawaii.

If this bill becomes law, we look forward to working with the bill's supporters to understand their vision for the new community development district.

Thank you for the opportunity to provide our comments.