



January 19, 2018

To: Honorable Donovan Dela Cruz, Chair & Members  
Senate Committee on Ways and Means

Honorable Sylvia Luke, Chair & Members  
House Committee on Finance

Subject: Hawai'i Council of Mayors Initiatives for the 2018 Legislative Session

The Hawaii Council of Mayors extends our appreciation to Committee Chairs Senator Donovan Dela Cruz and Representative Sylvia Luke, as well as to each member of these honorable committees for this opportunity to present our legislative priorities to you today. As Mayors, we are united on those issues that impact our counties collectively. Each of our counties also has its own unique issues, so we are grateful that each mayor has an opportunity to share their county's respective legislative requests with you. We are enthusiastic to work in collaboration with each of you to explore solutions to the issues facing all of us this legislative session.

As Mayors, we are unified and respectfully asking for your support on the following three issues:

(1) **Fair Distribution of TAT between State and Counties** – HCOM urges the legislature to adopt and follow the State-County Functions Working Group's recommendations as to what would be a fair distribution of TAT funds between the state and counties. Specifically, HCOM recommends that the Legislature support HB 1665 that provides a 55-45 percent split between the state and counties, in lieu of the Legislature placing a cap of \$103 million for all counties. While we appreciate the TAT funds provided each county, the counties must again emphasize our right to a fair share of the TAT and believe that the 55-45 % split is fair.

(2) **Lifeguard Tort Liability** – The counties seek your support for HB 1662 to permanently provide legal immunity for county lifeguards to ensure civil liability protection for county lifeguards – a benefit state lifeguards have.



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25 Aupuni Street  
Hilo, Hawaii 96720



Mayor Kirk Caldwell  
City and County of Honolulu  
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Mayor Bernard Carvalho, Jr.  
County of Kauai  
4444 Rice Street  
Lihue, Hawaii 96766



Mayor Alan Arakawa  
County of Maui  
200 South High Street, 9<sup>th</sup> Floor  
Wailuku, Hawaii 96793

(3) **County Taxing Authority** - In an effort to generate alternative sources of revenue to address each county's budgetary challenges, the counties urge the Hawaii Legislature to support HB 1664 relating to County Taxing Authority. Providing the counties with such taxing mechanism would allow the counties to be less dependent on revenue sources such as fuel tax revenue which is predicted to decline with the increase in electric, hybrid, and other fuel efficient vehicles.

In addition to HCOM's priorities listed above, other concerns facing the State and the Counties are the increasing impacts in our communities as a result of homelessness and the lack of a deep draft harbor on any of the neighboring islands. Should there be a major catastrophic incident on Oahu, a deep-draft harbor is the only acceptable alternative capable of accommodating transpacific shipping.

On behalf of the people of the counties of Hawai'i, Maui and Kaua'i and the City and County of Honolulu, we would like to express our heartfelt gratitude for all of your dedication and commitment to making Hawai'i a special place to live. We truly live in the best place on earth!

Aloha and Mahalo,



Alan Arakawa, Mayor  
County of Maui



Bernard P. Carvalho, Jr., Mayor  
County of Kaua'i



Harry Kim, Mayor  
County of Hawai'i



Kirk Caldwell, Mayor  
City and County of Honolulu