

JOSH GREEN, M.D.
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

IN REPLY PLEASE REFER TO:

677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
PHONE: (808) 587-0620
FAX: (808) 587-0600

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

**SENATE COMMITTEE ON HOUSING
AND
SENATE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL AND**

March 17, 2023 at 3:01 p.m.
State Capitol, Room 225

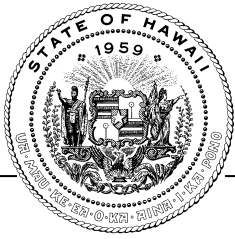
In consideration of
**H.B. 1363 HD3
RELATING TO TAXATION.**

HHFDC **strongly supports** H.B. 1363 HD3, which extends the time period a county can adopt a surcharge on the state tax and authorizes the use of county surcharge revenues for housing infrastructure.

The cost of off-site infrastructure is a major barrier to the development of affordable housing statewide. These costs are typically paid for by private housing developers, who in turn, pass them on to homebuyers in the form of higher prices and renters in the form of higher rents.

This bill seeks to offer the counties another source of funding to help pay for infrastructure in order to buy down the cost of housing for the benefit of both renters and home buyers. This measure would also help offset some of the burden on the Dwelling Unit Revolving Fund, which is currently being depleted by the State's historical infrastructure obligations in Waiahole Valley and in the Villages of Kapolei.

Thank you for the opportunity to provide testimony.



**STATE OF HAWAI'I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SCOTT J. GLENN
DIRECTOR

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Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

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Statement of
SCOTT GLENN, Director

before the
**SENATE COMMITTEE ON HOUSING AND THE COMMITTEE ON PUBLIC SAFETY
AND INTERGOVERNMENTAL AND MILITARY AFFAIRS**

Friday, March 17, 2023, 3:01 PM
State Capitol, Conference Room 325

in consideration of
**HB1363, HD3
RELATING TO TAXATION.**

Chair Chang, Vice Chair Kanuha, and Members of the Senate Committee on Housing; and Chair Wakai, Vice Chair Elefante, and Members of the Senate Committee on Public Safety and Intergovernmental and Military Affairs:

The Office of Planning and Sustainable Development (OPSD) **supports** HB1363, HD3, which extends the period within which a county may adopt a State tax surcharge, authorizes the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less, and temporarily authorizes counties that have previously adopted a surcharge on state tax to amend the uses of the surcharge.

OPSD has been working with the counties and other State agencies to identify and plan for regional infrastructure needed to support development of well-located affordable housing statewide. Extending the opt-in period would allow Maui County to adopt the general excise tax surcharge and use it for housing infrastructure, thereby accelerating project delivery and reducing housing costs. The bill would also allow the other neighbor islands to amend the rates and uses of their existing surcharge, such as for housing infrastructure.

Thank you for the opportunity to testify on this measure.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1363, H.D.3, Relating to Taxation

BEFORE THE:

Senate Committee on Housing and
Senate Committee on Public Safety and Intergovernmental and Military Affairs

DATE: Friday, March 17, 2023
TIME: 3:01 p.m.
LOCATION: State Capitol, Room 225

Chairs Chang and Wakai, Vice-Chairs Kanuha and Elefante, and Members of the Committees:

The Department of Taxation ("Department") offers the following comments regarding H.B. 1363, H.D.3, for your consideration.

H.B. 1363, H.D.3, amends section 46-16.8, Hawaii Revised Statutes (HRS), to extend the period in which a county may adopt a surcharge on state tax from March 31, 2019 to December 31, 2023. The measure also amends sections 237-8.6 and 238-2.6, HRS, by specifying that the new surcharge shall be levied beginning no earlier than January 1, 2024, if the county adopts the ordinance before August 1, 2023, and no earlier than January 1, 2025, if the county adopts the ordinance on or after August 1, 2023 but before December 31, 2023.

Additionally, the measure authorizes counties that have already adopted a surcharge to amend the authorized use of surcharge revenue, by amending their ordinance prior to December 31, 2023, noting that any county implementing a new surcharge may *only* use the proceeds for housing infrastructure if the county has a population equal to or less than 500,000. The measure has a defective effective date of June 30, 3000.

Department of Taxation Testimony
HB 1363, H.D.3
March 17, 2023
Page 2 of 2

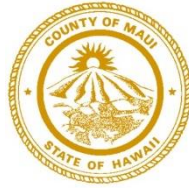
The Department notes that Maui County has not adopted a county surcharge, while Honolulu, Kauai, and Hawaii counties currently have county surcharges at the maximum 0.5 percent rate.

The Department further notes that in the event that Maui County adopts a county surcharge, the Department is able to implement the newly established county surcharge based on an effective date of January 1, 2024, if the ordinance is adopted before August 1, 2023.

Thank you for the opportunity to provide testimony on this measure.

RICHARD T. BISSEN, JR.
Mayor

KEKUHAUPIO R. AKANA
Acting Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

March 14, 2023

TO: Honorable Senator Stanley Chang, Chair
Honorable Senator Dru Mamo Kanuha, Vice Chair
Senate Committee on Housing

Honorable Senator Glenn Wakai, Chair
Honorable Senator Brandon J.C. Elefante, Vice Chair
Senate Committee on Public Safety and Intergovernmental and Military Affairs

FROM: Richard T. Bissen, Jr., Mayor
Scott Teruya, Director of Finance

DATE: March 14, 2023

SUBJECT: SUPPORT OF HB 1363 HD3, RELATING TO TAXATION

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to extend the period in which a county may adopt a surcharge on state tax, under certain conditions, from March 31, 2019, to December 31, 2023; authorize, in certain instances, the use of county surcharge revenues for housing infrastructure; and temporarily authorize counties that have previously adopted a surcharge on state tax to amend the rates and uses of the surcharge.

Our administration **SUPPORTS** this measure for the following reasons:

1. According to the Maui Real Estate Report, the median sale price for a single-family home in Maui County is \$1,092,500. A county surcharge on state tax will generate funding to increase capacity to support affordable and workforce housing infrastructure.
2. According to the United States Census, the median household income for a family in Maui County is \$88,249, however, according to the Living Wage Calculator, a living wage for a family of 4 in Maui County is \$118,043. Cost of living in Maui County often prevents residents from purchasing a home, so a county surcharge would support vital funding to providing affordable homeowner opportunities for residents.

3. A county surcharge would provide incentive for developers to design infrastructure in a manner that takes into account state and county planning objectives, long-range planning, or regional or island-wide cohesion.

For the foregoing reasons, we offer our **SUPPORT** of this measure.

Mitchell D. Roth
Mayor

Lee E. Lord
Managing Director

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County of Hawai'i
PLANNING DEPARTMENT

Zendo Kern
Director

Jeffrey W. Darrow
Deputy Director

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Hilo, Hawai'i 96720
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March 16, 2023

ZENDO KERN
Director, County of Hawai'i Planning Department

Committee on Housing &
Committee on Public Safety and Intergovernmental and Military Affairs

Friday, March 17, 2023, 3:01 P.M.
State Capitol Conference Room 225 & Videoconference

HB 1363 HD 3
Relating to Taxation

Honorable Chair Chang, Vice Chair Kanuha and Members of the Committee on Housing:

Honorable Chair Wakai, Vice Chair Elefante and Members of the Committee on Public Safety and Intergovernmental and Military Affairs:

The County of Hawai'i Planning Department is grateful for the opportunity to testify in **SUPPORT** of **HB 1363 HD 3**, relating to taxation, which extends the period within which a county may adopt a surcharge on state tax and authorizes the use of county surcharge revenues for housing infrastructure.

As the entire state continues to struggle with the affordable housing crisis, this surcharge would provide the counties with some much-needed vital financial resources to assist with financing of housing infrastructure, which will increase the capacity for more affordable housing.

Thank you for this opportunity to testify in **SUPPORT** of HB 1363 HD3



Maui Metropolitan
Planning Organization

200 South High Street
Wailuku, HI 96793
www.mauiimpo.org

March 16, 2023

Testimony of Pam Eaton
Maui MPO Executive Director
On behalf of the Maui MPO Policy Board

Before the Senate Committee on Housing, and
Senate Committee on Public Safety and Intergovernmental and Military Affairs

March 17, 2023 at 3:01 p.m.
Conference Room 225

SB 1363, H.D. 3 RELATING TO TAXATION

Honorable Glenn Wakai, Chair
Honorable Elefante Bandon J.C., Vice Chair
Honorable Members of the Senate Committees on Housing and Public Safety and Intergovernmental and Military Affairs

Thank you for the opportunity to testify in **support** of HB 1363, H.D. 3. The purpose of this bill is threefold: extending the period of time for a County to adopt a surcharge on state tax; authorizing the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less (Neighbor counties); and temporarily allowing those counties that have adopted a surcharge on state tax to amend the uses of the surcharge.

The costs of providing off site infrastructure for housing often prohibits the development of workforce and affordable housing. These costs, typically borne by private housing developers, are passed on resulting in much higher home prices for home buyers, and higher rents for renters. This bill will offer another source of much-needed revenue for Maui County to address its affordable-housing crisis by helping to pay for infrastructure upfront in order to buy down the costs of infrastructure resulting in those costs being passed on to homebuyers and renters. This will result in lower housing prices, making home ownership attainable for more residents. It may also allow many of Maui's skilled workforce to buy or rent a home in Maui, rather than be forced to leave in order to find more affordable home prices elsewhere.

Thank you for the opportunity to testify in **support** HB 1363, H.D. 3.

Sincerely,

Pam Eaton

Pam Eaton
Executive Director, Maui MPO



HAWAI'I COMMUNITY FOUNDATION
Amplify the Power of Giving

To: SENATE COMMITTEE ON HOUSING
Senator Stanley Chang, Chair
Senator Dru Kanuha, Vice Chair
And Members of the Committee

SENATE COMMITTEE ON PUBLIC SAFETY AND INTERGOVERNMENTAL
AND MILITARY AFFAIRS
Senator Glenn Wakai, Chair
Senator Brandon Elefante, Vice Chair
And Members of the Committee

From: Micah Kāne, Chief Executive Officer & President
Hawai'i Community Foundation

Re: Testimony in Support of HB1363, Relating to Taxation

Date: Friday March 17, 2023, 3:01 P.M.

Place: Conference Room 225, State Capitol and Videoconference

The Hawai'i Community Foundation (HCF) strongly supports HB1363. Our State's housing crisis is painfully obvious. Along with stories that touch us all, data supports the need for our collective efforts to address housing in a variety of ways. From the ALICE report to residential real estate prices, to continued low permit issuing throughout the counties, an increase in housing stock for all Hawaii residences is a priority.

Through our CHANGE Framework, the Hawaii Community Foundation (HCF) has been working to impact our communities by leading philanthropic participation in our key community needs. Under the "C" sector, Community & Economy, HCF created the House Maui Initiative three years ago. Our effort started on Maui because the data showed that Maui was at a heightened crisis, with high housing cost burden for residents, kamaaina leaving the County, and at one point, more homes being sold to non-residents than residents.

House Maui has been working to decrease housing cost burden by focusing on increasing housing supply, preparing residents to be ready for housing opportunities, and encouraging residents to participate in the process. To accomplish this, House Maui stands on three key pillars – aligning resources; educating and empowering; and organizing and advocating. The first pillar of aligning resources works to bring governmental resources together to support more homes for residents. We have found success in supporting governmental development of key infrastructure needed for

housing development. Through this effort, government is able to not only reduce the cost of homes (allowing for more affordable housing development opportunities), but is also able to direct where housing development occurs based upon the locations of its infrastructure projects (and thereby disincentivize development in other areas). House Maui has found success at the Federal, State and County level in these infrastructure efforts. For example, in Central Maui, a \$25mil Federal RAISE grant will complete a road extension, allowing for more affordable housing development by the County as well as an increased number of affordable homes within a private housing development project.

HB1363 will be a key tool for Maui County to expand its resource tool chest for infrastructure development to provide opportunity for housing of Maui County residents. HCF strongly supports these tools and thanks the Legislature for considering the funding opportunity provided for in HB1363.

March 17, 2023

The Honorable Stanley Chang, Chair

Senate Committee on Housing

The Honorable Glenn Wakai, Chair

Senate Committee on Public Safety and Intergovernmental and Military Affairs
State Capitol, Conference Room 225 & Videoconference

RE: House Bill 1363, HD3, Relating to Housing

HEARING: Friday, March 17, 2023, at 3:01 p.m.

Aloha Chair Chang, Chair Wakai, and Members of the Joint Committees:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 11,000 members. HAR **supports** House Bill 1363, HD3, which extends the period within which a county may adopt a surcharge on state tax, under certain conditions, from 3/31/2019 to 12/31/2023. Authorizes the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less. Temporarily authorizes counties that have previously adopted a surcharge on state tax to amend the uses of the surcharge. Effective 6/30/3000.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ Ultimately, we have a housing supply problem, and investment is needed to meet our State's housing challenges. Infrastructure is a critical aspect of housing and affordable housing development. The counties play a critical role in ensuring there is sufficient infrastructure to support not only housing but also surrounding community needs. If infrastructure development is not undertaken by the counties and left to developers the cost of infrastructure is added to the cost of housing and passed on to the home buyer. As such, allowing county surcharge revenue to fund housing infrastructure on the neighbor islands can serve as a solution to meet Hawaii's urgent housing needs.

For the foregoing reasons, Hawai'i Association of REALTORS® supports this measure and commends the Legislature for taking the lead on this important issue. Mahalo for the opportunity to testify.

¹ Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030*. <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE, USE, Allow county revenues to be used for housing infrastructure

BILL NUMBER: HB 1363 HD 3

INTRODUCED BY: House Committee on Finance

EXECUTIVE SUMMARY: Extends the period within which a county may adopt a surcharge on state tax, under certain conditions, from 3/31/2019 to 12/31/2023. Authorizes the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less. Temporarily authorizes counties that have previously adopted a surcharge on state tax to amend the uses of the surcharge.

SYNOPSIS: Adds a new subsection (d) to section 46-16.8, HRS, providing that each county that has adopted the county surcharge on state tax before March 31, 2019, may change the permitted uses of the funds, by ordinance amendment prior to December 31, 2023.

In subsection (g), adds the following as a permissible use of county surcharge revenues for any county with a population less than 500,000 (*i.e.*, excluding Honolulu) and adopts a county surcharge before January 1, 2023:

Pedestrian paths or sidewalks on a county road near or around a public school.

Housing infrastructure; provided that a county that uses surcharge revenues for housing infrastructure shall not pass on related infrastructure costs to the developer of a housing project.

Requires that a county adopting a surcharge tax ordinance after December 31, 2022, use the county surcharge moneys exclusively for housing infrastructure.

Defines "housing infrastructure" as including water, drainage, sewer, waste disposal, and waste treatment systems that connect to the infrastructure of the county.

Amends section 237-8.6 and 238-2.6, HRS, to provide that a county adopting a surcharge ordinance after March 31, 2019, and on or before August 1, 2023, would go into effect on or after January 1, 2024. If the surcharge ordinance is adopted after August 1, 2023, but before December 31, 2023, it would go into effect on or after January 1, 2025.

Makes technical and conforming amendments.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: The county surcharge on the General Excise Tax is required to be used in the City & County of Honolulu to support its rail mass transit project. The law creating the county surcharge for the other counties allowed those counties to use the surcharge funds for

transportation infrastructure. Housing infrastructure costs do not appear to be transportation infrastructure. Thus, the proposed additional use of county surcharge revenue raises the question of whether section 46-16.8, HRS, as amended, would be a “general law” that is permissible under Article VIII, section 1 of the Hawaii Constitution for conferring powers upon counties. *Bulgo v. County of Maui*, 50 Haw. 51, 430 P.2d 321 (1967).

Digested: 3/15/2023

LATE



March 16, 2023

Senator Stanley Chang, Chair
Senator Dru Mamo Kanuha, Vice Chair
Senate Committee on Housing

Senator Glenn Wakai, Chair
Senator Brandon J.C. Elefante, Vice Chair
Senate Committee on Public Safety and
Intergovernmental and Military Affairs

Testimony in Support of HB 1363, HD3, RELATING TO TAXATION (Extends the period within which a county may adopt a surcharge on state tax, under certain conditions, from 3/31/2019 to 12/31/2023. Authorizes the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less. Temporarily authorizes counties that have previously adopted a surcharge on state tax to amend the uses of the surcharge. Effective 6/30/3000. [HD3])

**Friday, March 17, 2023, 3:01 PM
State Capitol, Conference Room 225 & Videoconference**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

For over 150 years, LURF members have built homes for Hawaii's working families and residents and supporting infrastructure and have collectively have built the most affordable and market homes in Hawaii.

LURF appreciates the opportunity to provide testimony in **support of HB 1363, HD3**, which extends the period within which a county may adopt a surcharge on state tax, under certain conditions, from 3/31/2019 to 12/31/2023; and authorizes the use of county surcharge revenues for housing infrastructure in counties having a population of five hundred thousand or less. The bill also temporarily authorizes counties that have previously adopted a surcharge on state tax to amend the uses of the surcharge.

Hawaii has a severe lack of housing supply. According to Department of Business Economic Development and Tourism (DBEDT), the State will need approximately 26,000 to 47,000 housing units to meet Hawaii's estimated demand in Hawaii by 2030.¹

These future housing units will require substantial infrastructure improvements, including roads, sewers, water, drainage, etc. Over the past twenty years or so, government has required homebuilders to pay millions of dollars up-front to design and build the infrastructure necessary to serve affordable and market housing projects (and dedicate that infrastructure to the county after completion of construction). In some cases, the up-front costs of this infrastructure is passed-on to new homebuyers and adds over \$100,000 or more to the purchase price of a home in a master-planned community. Across the state, the additional cost of off-site infrastructure is often a major barrier to the development, purchase, or rental of affordable and market housing.

This measure offers another source of funding for counties to pay for the costs of off-site infrastructure for housing. If this bill is adopted, the counties would be able to fund the major infrastructure necessary for housing over time using the tax surcharge, and home-builders would no longer be required to "pay up front" for the costs of installing required infrastructure (which will be "passed-on" to the new homebuyer or renter). This will result in lower home-building costs, which will reduce the price of housing and rents, making home ownership and rentals more attainable for many residents.

According to prior testimony from the Hawaii Housing Finance and Development Corporation, this measure will also help off-set some of the continuing burden on the Dwelling Unit Revolving Fund, which funds the State's ongoing infrastructure obligations for other projects.

For the reasons set forth above, LURF is in **support of HB 1363, HD3**, and respectfully urges your favorable consideration of this bill.

Thank you for the opportunity to present testimony in support of this measure.

¹ DBEDT, *Housing Demand in Hawaii 2020-2030 (December 2019)* [housing-demand-2019.pdf \(hawaii.gov\)](#)

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
Traci N. T. Fujita, Esq.

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 15, 2023

TO: Honorable Stanley Chang, Chair
Committee on Housing

Honorable Glenn Wakai, Chair
Committee on Public Safety and Intergovernmental and Military Affairs

FROM: Yuki Lei Sugimura
Councilmember

A handwritten signature in black ink that reads "Yuki Lei Sugimura".

DATE: March 15, 2023

SUBJECT: **HB 1363 HD3, RELATING TO TAXATION**

Thank you for the opportunity to testify in SUPPORT of this important measure. The purpose of this measure is to provide an opportunity for counties to collect surcharge revenues.

I **SUPPORT** this measure for the following reasons:

1. As a supporter of affordable housing, this is as an opportunity to provide funding for infrastructure for new potential developments in our county.
2. With this surcharge, counties do not need to solely rely on developers to take care of the costs.
3. Costs that too often get added on to new homeowners will no longer be necessary if counties are able to fund infrastructure on their own.

For the foregoing reasons, I **SUPPORT** this measure.

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
Traci N. T. Fujita, Esq.


Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

March 15, 2023

TO: The Honorable Stanley Chang, Chair, and
Members of the Senate Committee on Housing

The Honorable Glenn Wakai, Chair, and
Members of the Senate Committee on Public Safety and Intergovernmental
and Military Affairs

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF MARCH 17, 2023; TESTIMONY IN SUPPORT OF HB 1363,
HD3, RELATING TO TAXATION**

Thank you for the opportunity to testify in **support** of this important measure. This measure grants Maui County the authority to enact a General Excise Tax surcharge until the end of the year and allows the revenue to be used for housing infrastructure.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. The median sale price for a single-family home in Maui County exceeds \$1 million. A Maui County surcharge on State GET will generate funding to increase capacity to support much-needed affordable- and workforce-housing infrastructure.
2. According to the Census, the median household income for a family in Maui County is \$88,249; however, according to the Living Wage Calculator, a living wage for a family of four in Maui County is \$118,043. Cost of living in Maui County often prevents residents from purchasing a home. A County surcharge would support funding to provide homeownership opportunities.

Senate Committee on Housing

Senate Committee on Public Safety and Intergovernmental and Military Affairs

March 15, 2023

Page 2

3. In hope and anticipation of this measure being enacted, the Maui County Council is working with Mayor Richard T. Bissen, Jr. and his Administration to begin deliberations on the necessary ordinance for a County GET surcharge.

For the foregoing reasons, I **support** this measure.

ocs:proj:legis:23legis:23testimony:hb1363_hd3_paf23-007(73)_jpp