

JAN 27 2016

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# A BILL FOR AN ACT

RELATING TO INFRASTRUCTURE.

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

1       SECTION 1. The legislature finds that encouraging compact  
2 development discourages urban sprawl, preserves open space,  
3 protects watershed areas and agricultural lands, and reduces the  
4 cost of constructing and maintaining infrastructure systems.

5 Rapid transit encourages and supports compact development.

6 However, transit-oriented development often requires significant  
7 capacity upgrades of existing infrastructure. The State

8 recognizes that it has a role in supporting transit-oriented  
9 development and recognizes the need to provide another financing

10 resource without unduly draining the state budget. Therefore,

11 the purpose of this Act is to create a no-interest loan

12 revolving fund to provide loans for infrastructure improvements

13 that support transit-oriented development.

14       SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended  
15 by adding a new section to be appropriately designated and to

16 read as follows:



1        "§36-     Infrastructure development loan revolving fund.

2        (a)    There is established the infrastructure development loan  
3        revolving fund to be administered by the director of finance.

4        (b)    An amount from the fund, to be set by the director of  
5        finance, may be used for administrative expenses incurred by the  
6        department of budget and finance in administering the fund;  
7        provided that fund moneys shall not be used to finance day-to-  
8        day administrative expenses of projects that are allotted fund  
9        moneys.

10       (c)    The following may be deposited into the fund:

11       (1)    Appropriations made by the legislature;

12       (2)    Private contributions;

13       (3)    Loan payments;

14       (4)    Other returns; and

15       (5)    Moneys from the federal government and other sources.

16       (d)    The fund shall be used to provide no-interest loans  
17       for the development, pre-development, or construction of  
18       infrastructure projects to expedite the building of transit-  
19       oriented development, particularly those involving affordable  
20       housing. Permitted uses of the funds may include planning,  
21       design, land acquisition, costs of options, agreements of sale,



1 or other infrastructure-related services or activities as may be  
2 provided in rules adopted by the department pursuant to chapter  
3 91. In determining which projects to fund, the director shall  
4 give first priority to projects that increase infrastructure  
5 capacity on a regional or collector system level, as opposed to  
6 those that only support capacities for specific, limited numbers  
7 of properties.

8 (e) The department shall submit an annual report to the  
9 legislature no later than twenty days prior to the convening of  
10 each regular session describing the projects funded and other  
11 applications it received.

12 (f) For purposes of this section, "infrastructure" means  
13 any utility such as sewer, roads, drainage, bridges, and water,  
14 including conduits, pumps, and treatment plants."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on July 1, 2016.

17 INTRODUCED BY: 



# S.B. NO. 3023

**Report Title:**

Transit-oriented Development Infrastructure; Revolving Fund

**Description:**

Establishes an infrastructure development loan revolving fund to be administered by the director of finance.

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

