

**SB 3023**

**RELATING TO  
INFRASTRUCTURE**



WRITTEN ONLY

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MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON TRANSPORTATION AND ENERGY  
ON  
SENATE BILL NO. 3023**

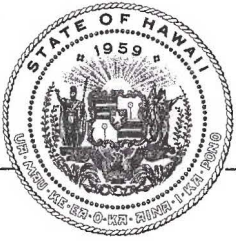
February 17, 2016  
2:45 P.M.

**RELATING TO INFRASTRUCTURE**

Senate Bill No. 3023 establishes an infrastructure development loan revolving fund to be administered by the director of finance.

The Department has a comment on this bill. The Department supports the intent to promote and facilitate the development of affordable housing, however, the Department does not have the staffing and expertise required to administer such a program and the fund. The Department also does not support the creation of programs that are not consistent with the Department's general statutes (i.e., Chapters 36, 37, 38, and 39, HRS).

Thank you for the opportunity to provide our testimony on this bill.



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Statement of  
**LEO R. ASUNCION**  
Director, Office of Planning  
before the  
**SENATE COMMITTEE ON TRANSPORTATION AND ENERGY**  
Wednesday, February 17, 2016  
2:45 PM  
State Capitol, Conference Room 225

in consideration of  
**SB 3023**  
**RELATING TO INFRASTRUCTURE.**

Chair Inouye, Vice Chair Gabbard, and Members of the Senate Committee on  
Transportation and Energy.

The Office of Planning (OP) supports SB 3023, but defers to the Department of Budget and Finance as to its impacts on the Department's operations and priorities. SB 3023 would amend Hawaii Revised Statutes (HRS) Chapter 36 to establish an infrastructure revolving loan fund, which would offer no-interest loans for capital improvement projects that increased regional road, drainage, bridge, water, and wastewater treatment capacity necessary to support compact development and transit-oriented development (TOD).

Financing regional infrastructure improvements along the Honolulu rail corridor is a major impediment to realizing the potential of TOD in providing needed housing and creating vibrant and sustainable mixed-use communities along the rail corridor. Both the State and the City and County of Honolulu have identified the establishment of alternative funding mechanisms for infrastructure development as a priority for their TOD implementation efforts. This proposal would provide a much needed mechanism for facilitating TOD.

Thank you for the opportunity to testify.

**Kaala Coleman**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 15, 2016 11:14 AM  
**To:** TRE Testimony  
**Cc:** dylanarm@hawaii.edu  
**Subject:** \*Submitted testimony for SB3023 on Feb 17, 2016 14:45PM\*

**SB3023**

Submitted on: 2/15/2016

Testimony for TRE on Feb 17, 2016 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

**Comments:**

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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