STAND. COM. REP. NO. 2089

Honolulu, Hawaii

FEB 0 8 2018

RE: S.B. No. 3057

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Public Safety, Intergovernmental, and Military Affairs, to which was referred S.B. No. 3057 entitled:

"A BILL FOR AN ACT RELATED TO LAND-SECURED FINANCING," begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the authority of counties to use land-based financing to support operating costs for certain county services provided within improvement districts and community facilities districts;
- (2) Allow county maintenance of the capital improvements to be land-based financed; and
- (3) Authorize counties to use up to an unspecified percent of the assessment or tax revenues to cover administrative expenses in creating and administering the improvement district or community facilities district and the associated assessments, fees, and taxes.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that securing the financial strength of the counties is essential to securing the public's interests. However, with tightening budgets, the counties are finding it more difficult to support annual operating costs. Under similar circumstances, other jurisdictions have successfully employed land-based, or land-secured, financing to support their operating costs. Your Committee finds that counties in the State could similarly benefit from an expanded authority to use land-based financing to support operating costs for certain county services and improvements.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3057 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Public Safety, Intergovernmental, and Military Affairs,

Clarence Vishihare CLARENCE K. NISHIHARA, Chair

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Public Safety, Intergovernmental, and Military Affairs PSM

Bill / Resolution No.:*  SB 3 057	Committee PSM	Referral: WAA	<b>1</b> Da	te:	18
The Committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)					
WAKAI, Glenn (VC)				:	
BAKER, Rosalyn H.		V/			
IHARA, Jr., Les		<b>V</b>			
THIELEN, Laura H.					
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TOTAL		4	Ø	9	
Recommendation:  Not Adopted  Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes