DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on FINANCE

Wednesday, February 21, 2018 2:00 P.M. State Capitol, Conference Room 308

In consideration of HOUSE BILL 2592, HOUSE DRAFT 1 RELATING TO WATER

House Bill 2592, House Draft 1 proposes to establish a working group within the Department of the Attorney General to assess the viability and constitutionality of using tax increment financing on the county level as a means of incentivizing water-related infrastructure projects. The Department of Land and Natural Resources (Department) acknowledges the intent of this bill and offers the following comment.

If this measure is enacted, the Department would participate in the working group to collaborate and provide resources or information within its program areas.

Thank you for the opportunity to comment on this measure.

SUZANNE D. CASE CHARPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA

JEFFREY T. PEARSON, P.E.

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEY ANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION

LAND STATE PARKS DAVID Y. IGE GOVERNOR OF HAWAII



VIRGINIA PRESSLER, M.D.
DIRECTOR OF HEALTH

WRITTEN
TESTIMONY ONLY

Testimony COMMENTING on HB 2592, HD 1 RELATING TO WATER

REPRESENTATIVE SYLVIA LUKE, CHAIR HOUSE COMMITTEE ON FINANCE

Hearing Date: February 21, 2018 Room Number: 308

Time: 2:00 pm

1 Fiscal Implications: None.

2 **Department Testimony:** The department of health acknowledges the intent of this bill and will

- 3 participate in the working group.
- 4 **Offered Amendments:** No amendments offered.
- 5 Thank you for the opportunity to testify.



Email: communications@ulupono.com

HOUSE COMMITTEE ON FINANCE Wednesday, February 21, 2018 — 2:00 p.m. — Room 308

Ulupono Initiative Strongly Supports HB 2592 HD 1, Relating to Water

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

My name is Kyle Datta and I am General Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better management of waste and fresh water. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports HB 2592 HD 1, which establishes a working group with the Department of the Attorney General to assess the viability and constitutionality of using tax increment financing on the county level as a means of funding water-related infrastructure projects, because it aligns with our goal of preserving Hawai'i's water resources.

The counties have many infrastructure needs, in particular for water-related projects. Yet, they often find themselves without adequate funding to develop the project, which leads to an ever-growing backlog of unmet infrastructure needs. Tax increment financing can provide an as-yet untapped source of funding to build such projects. Furthermore, tax increment financing allows counties to leverage its future funding streams into getting an immediate pool of funds. Over time, as property values and tax revenues increase due to the new infrastructure, the water project financing is paid off.

As Hawai'i's water issues become more complex and challenging, we appreciate this committee's efforts to look at policies that protect our water resources.

Thank you for this opportunity to testify.

Respectfully,

Kyle Datta General Partner

HB-2592-HD-1

Submitted on: 2/20/2018 1:09:38 PM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

PRESENTATION OF THE

OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES

DEMOCRATIC PARTY OF HAWAI'I

TO THE COMMITTEE ON FINANCE

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, February 21, 2018

2:00 p.m.

Hawaii State Capitol, Conference Room 308

RE: Testimony in Support of HB 2592 HD1 RELATING TO WATER

To the Honorable Sylvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice-Chair, and Members of the Committee on Finance:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No.2592 HD1 relating to water; Tax Increment Financing; LUC; AG; Working Group; and Counties.

The OCC Legislative Priorities Committee is in favor of House Bill No.2592 HD1 and supports its passage.

House Bill No. 2592 HD1 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes a working group within the Department of the Attorney General to assess the viability and constitutionality of using tax increment financing on the county level as a means of incentivizing water-related infrastructure projects.

The DPH Platform states that [i]mprovements to infrastructure are critical to providing a healthy base to the Hawaiian economy. **Upgrading publicly-owned water works**, preserving agricultural water sources, improving public transportation, redesigning mass transit, and supporting universal basic education for all children are key elements in maintaining a strong, sustainable economy in Hawai'i." (Platform of the DPH, P. 1, Lines 50-53 (2016)).

Given that House Bill No.2592 HD1 establishes a working group within the Department of the Attorney General to assess the viability and constitutionality of using tax increment financing on the county level as a means of incentivizing water-related infrastructure projects, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativeprorities@gmail.com, Tel.: (808) 258-8889