JAN 2 1 2022

### A BILL FOR AN ACT

RELATING TO SPECIAL IMPROVEMENT DISTRICTS.

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

- 1 SECTION 1. The legislature finds that Act 107, Session
- 2 Laws of Hawaii 1999 (Act 107), authorized the counties to create
- 3 special improvement districts to provide supplemental financial
- 4 support to these districts for the purpose of restoring or
- 5 promoting business activity. The legislature also finds that
- 6 since the enactment of Act 107, the needs and demands in these
- 7 districts have broadened to include the management or mitigation
- 8 of environmental and other conditions that impact natural
- 9 resources. More specifically, the legislature finds that Hawaii
- 10 is being exposed to a variety of threats that impact its
- 11 environment and ecosystems, including coastal hazards and
- 12 effects of climate change such as the increase in the frequency
- 13 and severity of storms and drought, sea-level rise, groundwater
- 14 inundation, and coastal erosion. These threats are of
- 15 particular concern to the State due to its island topography and
- 16 substantial coastal exposure.

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1 The purpose of this Act is to emphasize the counties' 2 authority to create special improvement districts by expanding 3 the objective of these districts to include the protection, 4 preservation, and, where desirable, restoration and improvement 5 of environmental quality. SECTION 2. Section 46-80.5, Hawaii Revised Statutes, is 6 7 amended by amending subsection (a) to read as follows: 8 In addition and supplemental to the authority vested "(a) 9 in the counties by sections 46-80 and 46-80.1, any county having 10 a charter may enact an ordinance, and may amend the same from 11 time to time, authorizing the creation of special improvement 12 districts. [for the purpose of] The purposes of creating the 13 districts include but are not limited to providing and 14 financing: [supplemental] Supplemental maintenance and security 15 (1) 16 services; Environmental research, restoration, and maintenance; 17 (2) 18 (3) Natural resource management; 19 Natural hazard mitigation; and [such other] (4)Other improvements, services, and facilities within 20 (5) 21 the special improvement district as the council of the

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1	county determines will improve environmental
2	conditions, provide community benefits, and restore or
3	promote business activity in the special improvement
4	district and the making and financing of improvements
5	therein.
6	Each separate special improvement district shall be established
7	by a separate ordinance enacted as provided in the ordinance
8	authorizing the creation of special improvement districts. The
9	ordinance authorizing the creation of special improvement
10	districts may permit the county to provide for a board or
11	association, established pursuant to chapter 414D, to provide
12	management of the special improvement district, and to carry out
13	activities as may be prescribed by the ordinance authorizing the
14	creation of special improvement districts and the ordinance
15	establishing the special improvement district as permitted
16	thereby."
17	SECTION 3. This Act does not affect rights and duties that
18	matured, penalties that were incurred, and proceedings that were
19	begun before its effective date.
20	SECTION 4. Statutory material to be repealed is bracketed
21	and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

## S.B. NO. 2725

### Report Title:

Special Improvement District; Environmental Protection; County Government; Natural Resource Management

### Description:

Expands the purpose and rationale for which counties may create special improvement districts to include environmental research, restoration, and maintenance; natural resource management; and natural hazard mitigation to improve environmental conditions and provide community benefits.

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