STAND. COM. REP. NO. 3499

Honolulu, Hawaii

### MAR 2 4 2022

RE: H.B. No. 1672

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committees on Water and Land and Government Operations, to which was referred H.B. No. 1672, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL IMPROVEMENT DISTRICTS,"

beg leave to report as follows:

The purpose and intent of this measure is to expand the purpose and rationale for which counties may create special improvement districts to include:

- (1) Environmental research, restoration, and maintenance; and
- (2) Natural hazard mitigation to improve environmental conditions and provide community benefits.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawai'i System, Sierra Club of Hawai'i, and Waikīkī Beach Special Improvement District Association. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Hawai'i Emergency Management Agency.

Your Committees find that existing law allows counties to create special improvement districts to provide supplemental financial support for purposes of restoring or promoting business activity; however, the needs and demands of these districts has grown to include the management or mitigation of environmental conditions that impact natural resources. As threats to environmental ecosystems continue to increase, including coastal hazards, frequent severe storms and drought, sea level rise, groundwater inundations, and coastal erosion, it is necessary to broaden the counties' authority to create special improvement districts. Therefore, this measure allows the counties to establish special improvement districts for environmental protection and preservation, natural resource management, and natural hazard mitigation.

Your Committees have amended this measure by:

- (1) Clarifying that the purposes of creating a special improvement project district include but are not limited to providing, financing, and coordinating federal, state, and county efforts to further the district's goals;
- (2) Inserting an effective date of July 1, 2022; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1672, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1672, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Water and Land and Government Operations,

### The Senate Thirty-First Legislature State of Hawai'i

# Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral: Date:							
HB1672, HD1	WTL/QVD, JDC/WAM 3/22/22							
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 (WF	R) Nay	Excused			
INOUYE, Lorraine R. (C)								
KEITH-AGARAN, Gilbert S.C. (VC)								
MISALUCHA, Bennette E.								
RIVIERE, Gil								
FEVELLA, Kurt								
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TOTAL		3			2			
Recommendation:  Adopted Not Adopted								
Chair's or Designee's Signature:								
<b>Distribution:</b> Original File with Committee Re	Yellow Pink Goldenrod port Clerk's Office Drafting Agency Committee File Copy							

<sup>\*</sup>Only one measure per Record of Votes

### The Senate Thirty-First Legislature State of Hawai'i

## Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee Referral: Date:							
HB1672, HD1	WTL/GVO, JDC/WAM 03/22/22							
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			
MORIWAKI, Sharon Y. (C)								
DELA CRUZ, Donovan M. (VC)								
CHANG, Stanley		/,						
GABBARD, Mike								
FEVELLA, Kurt								
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TOTAL		7						
Recommendation:  Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution:       Original       Yellow       Pink       Goldenrod         File with Committee Report       Clerk's Office       Drafting Agency       Committee File Copy								

<sup>\*</sup>Only one measure per Record of Votes