HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

H.B. NO. ¹⁷⁸¹ H.D. 2

A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

SECTION 1. Chapter 206E, Hawaii Revised Statutes, is
 amended by adding a new part to be appropriately designated and
 to read as follows:

4 . PANAEWA COMMUNITY DEVELOPMENT DISTRICT "PART 5 §206E-Purposes; findings. The legislature finds that 6 public lands in Panaewa, Hawaii, are underutilized. 7 Redeveloping, renovating, or improving these public lands to 8 provide suitable recreational, residential, educational, 9 industrial, governmental, and commercial areas where the public can live, congregate, recreate, attend schools, and shop as part 10 11 of a thoughtfully integrated experience is in the best interest 12 of the State.

13 §206E- Definitions. As used in this part:
14 "District" means the Panaewa community development
15 district.

16 "Fund" means the Panaewa community development district17 special fund.

2024-1525 HB1781 HD2 HMS0

Page 2.

H.B. NO. ¹⁷⁸¹ ^{H.D. 2}

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2024-1525 HB1781 HD2 HMSO

H.B. NO. ¹⁷⁸¹ H.D. ²

1		possible, complement existing county and state
2		policies, plans, and programs affecting the district;
3		and
4	(4)	Public facilities within the district shall be
5		planned, located, and developed to support the
6		development policies established by this section and
7		any rules adopted pursuant to this part.
8	§206	E- Financial aid from the federal government;
9	contracts	with the federal government. (a) The authority may
10	secure fi	nancial aid from the federal government for any
11	planning,	design, development, construction, and maintenance
12	work that	the authority is authorized to undertake pursuant to
13	this part	
14	(b)	In addition, and supplemental to the powers granted to
15	the autho	rity under section 206E-4, the authority may:
16	(1)	Borrow moneys or accept grants from the federal
17		government in aid of or for any development project
18		the authority is authorized to undertake pursuant to
19		this part;

2024-1525 HB1781 HD2 HMS0

Page 3

Page 4

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H.B. NO. ¹⁷⁸¹ H.D. ²

1	(2)	Issue bonds or other evidence of indebtedness and
2		pledge revenues and other assets as security for
3		indebtedness incurred pursuant to this part;
4	(3)	Repay any indebtedness, including any interest
5		incurred thereon by the authority pursuant to this
6		part;
7	(4)	Procure insurance or loan guarantees from the federal
8		government for the payment of any debts or parts
9		thereof secured by mortgages made by or held by the
10		authority;
11	(5)	Execute contracts with the federal government in
12		accordance with this part; and
13	(6)	Comply with terms and conditions required by the
14		federal government in any contract or grant for
15		federal assistance.
16	(c)	It is the purpose and intent of this section to
17	authorize	the authority to do all things necessary to secure the
18	cooperatio	on of and financial aid from the federal government for
19	any plann	ing, design, development, construction, and maintenance
20	work that	the authority is authorized to undertake pursuant to
21	this part	

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2024-1525 HB1781 HD2 HMSO

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H.B. NO. ¹⁷⁸¹ H.D. 2

1 Panaewa community development district special §206Efund. (a) There shall be established in the state treasury the 2 3 Panaewa community development district special fund, into which 4 shall be deposited: 5 (1) All revenues, income, and receipts of the authority for the district, notwithstanding any other law to the 6 7 contrary, including section 206E-16; . 8 (2) Moneys directed, allocated, or disbursed to the 9 district from government agencies or private 10 • individuals or organizations, including grants, gifts, 11 awards, donations, and assessments of landowners for 12 costs to administer and operate the district; and 13 (3) Moneys appropriated to the fund by the legislature. 14 (b) Moneys in the fund shall be used only for the purposes of this part. 15 16 (c) Investment earnings credited to the assets of the fund 17 shall become assets of the fund. 18 \$206E-Annual comprehensive report. No later than 19 twenty days prior to the convening of each regular session, the

20 authority shall submit to the legislature an annual

2024-1525 HB1781 HD2 HMS0

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H.B. NO. ¹⁷⁸¹_{H.D. 2}

1 comprehensive report on the progress of development within the 2 district."

3 SECTION 2. Section 206E-3, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§206E-3 Hawaii community development authority; 6 established. (a) There is established the Hawaii community 7 development authority, which shall be a body corporate and a 8 public instrumentality of the State, for the purpose of 9 implementing this chapter. The authority shall be placed within 10 the department of business, economic development, and tourism 11 for administrative purposes.

12 (b) The authority shall consist of [the]:

13 (1) The director of finance or the director's designee; 14 [the]

- 15 (2) The director of transportation or the director's
 16 designee; [the]
- 17 (3) The director of business, economic development, and
 18 tourism or the director's designee; [the]
- 19 (4) The chairperson of the board of land and natural 20 resources; [the]

2024-1525 HB1781 HD2 HMSO

Page 7

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H.B. NO. ¹⁷⁸¹ H.D. ²

1	(5)	The director of planning or planning and permitting of
2		each county in which a community development district
3		is located or the director's designee; [a]
4	(6)	<u>One</u> cultural specialist; [an]
5	(7)	One at-large member nominated by the president of the
6		senate; [an]
7	(8)	<u>One</u> at-large member nominated by the speaker of the
8		house of representatives; [two]
9	(9)	\underline{Two} representatives of the Heeia community development
10		district, [comprising one] consisting of:
11		(A) One resident of that district or the Koolaupoko
12		district, which consists of sections 1 through 9
13		of zone 4 of the first tax map key division[$ au$] $_{i}$
14		and [one]
15		(B) One owner of a small business or one officer or
16		director of a nonprofit organization in the Heeia
17	•	community development district or Koolaupoko
18		district; [two]
19	(10)	<u>Two</u> representatives of the Kalaeloa community
20		development district, [comprising one] consisting of:

2024-1525 HB1781 HD2 HMSO

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H.B. NO. ¹⁷⁸¹ H.D. 2

1		<u>(A)</u>	One resident of the Ewa zone (zone 9, sections 1
2			through 2) or the Waianae zone (zone 8, sections
3			1 through 9) of the first tax map key
4			division $[\tau]_{\underline{i}}$ and $[one]$
5		<u>(B)</u>	<u>One</u> owner of a small business or one officer or
6			director of a nonprofit organization in the Ewa
7			or Waianae zone; [two]
8	(11)	Two	representatives of the Kakaako community
9		deve	lopment district, [comprising one] consisting of:
10	, ,	(A)	One resident of the district; and [one]
11		<u>(B)</u>	One owner of a small business or one officer or
12			director of a nonprofit organization in the
13			district; [and two]
14	(12)	Two	representatives of the Pulehunui community
15		deve	lopment district, consisting of [one] <u>:</u>
16		<u>(A)</u>	<u>One</u> resident of the island of Maui $[\tau]$; and $[$ one $]$
17		<u>(B)</u>	<u>One</u> owner of a small business or one officer or
18			director of a nonprofit organization on the
19	•		island of Maui[-]; and
20	(13)	Two	representatives of the Panaewa community
21		deve	lopment district, consisting of:

2024-1525 HB1781 HD2 HMS0

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H.B. NO. ¹⁷⁸¹_{H.D. 2}

1 (A) One resident of the island of Hawaii; and One owner of a small business or one officer or 2 (B) 3 director of a nonprofit organization on the 4 island of Hawaii. 5 (c) All members except the director of finance $[\tau]$; 6 director of transportation $[\tau]$; county directors of planning or 7 planning and permitting[7]; director of business, economic 8 development, and tourism $[\tau]$; chairperson of the board of land 9 and natural resources $[\tau]$; or their respective designees shall be 10 appointed by the governor pursuant to section 26-34. 11 The two at-large members nominated by the president of the 12 senate and speaker of the house of representatives shall each be 13 invited to serve and appointed by the governor from a list of 14 three nominees submitted for each position by the nominating 15 authority specified in [this] subsection[-,] (b). 16 The president of the senate and the speaker of the house of 17 representatives shall each submit a list of six nominees for 18 each district to the governor to fill the two district representative positions for each community development 19 20 district. For each community development district, the governor 21 shall appoint one member from a list of nominees submitted by

2024-1525 HB1781 HD2 HMS0

H.B. NO. ¹⁷⁸¹ H.D. ²

1	the president	of the senate and one member from a list of			
2	nominees submitted by the speaker of the house of				
3	representative	es, and of the two appointees, one shall meet the			
4	district residency requirement and one shall meet the district				
5	small business owner or nonprofit organization officer or				
6	director requirement.				
7	(d) The authority shall be organized and shall exercise				
8	jurisdiction a	as follows:			
9	(1) For	matters affecting the Heeia community development			
10	dist	crict, the following members shall be considered in			
11	dete	ermining quorum and majority and shall be eligible			
12	to v	vote:			
13	(A)	The director of finance or the director's			
14		designee;			
15	(B)	The director of transportation or the director's			
16		designee;			
17	(C)	The director of business, economic development,			
18		and tourism or the director's designee;			
19	(D)	The director of planning and permitting for the			
20		county in which the Heeia community development			
21		district is located or the director's designee;			
19 20	(D)	The director of planning and permitting for the county in which the Heeia community development			

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H.B. NO. ¹⁷⁸¹ H.D. 2

1		(E)	The cultural specialist;
2		(F)	The two at-large members; and
3		(G)	The two representatives of the Heeia community
4			development district;
5	(2)	For	matters affecting the Kalaeloa community
6		deve	lopment district, the following members shall be
7		cons	idered in determining quorum and majority and
8		shal	l be eligible to vote:
9		(A)	The director of finance or the director's
10			designee;
11		(B)	The director of transportation or the director's
12			designee;
13		(C)	The director of business, economic development,
14			and tourism or the director's designee;
15		(D)	The director of planning and permitting for the
16			county in which the Kalaeloa community
17			development district is located or the director's
18			designee;
19		(E)	The cultural specialist;
20	·	(F)	The two at-large members; and

2024-1525 HB1781 HD2 HMS0

H.B. NO. ¹⁷⁸¹ H.D. ²

1		(G) The two representatives of the Kalaeloa community
2		development district;
3	(3)	For matters affecting the Kakaako community
4		development district, the following members shall be
5		considered in determining quorum and majority and
6		shall be eligible to vote:
7		(A) The director of finance or the director's
8		designee;
9		(B) The director of transportation or the director's
10		designee;
11		(C) The director of business, economic development,
12		and tourism or the director's designee;
13	`	(D) The director of planning and permitting for the
14		county in which the Kakaako community development
15		district is located or the director's designee;
16	•	(E) The cultural specialist;
17		(F) The two at-large members; and
18		(G) The two representatives of the Kakaako community
19		development district; [and]
20	(4)	For matters affecting the Pulehunui community
21		development district, the following members shall be
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2024-1525 HB1781 HD2 HMS0

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Page 13

H.B. NO. ¹⁷⁸¹ H.D. ²

1		cons	idered in determining quorum and majority and
2		shal	l be eligible to vote:
3		(A)	The director of finance or the director's
4			designee;
5		(B)	The director of transportation or the director's
6			designee;
7		(C)	The director of business, economic development,
8			and tourism or the director's designee;
9		(D)	The director of planning for the county in which
10			the Pulehunui community development district is
11			located or the director's designee;
12		(E)	The chairperson of the board of land and natural
13			resources or the chairperson's designee;
14		(F)	The cultural specialist;
15		(G)	The two at-large members; and
16		(H)	The two representatives of the Pulehunui
17			community development district[-]; and
18	(5)	For	matters affecting the Panaewa community
19		deve	lopment district, the following members shall be
20		cons	idered in determining quorum and majority and
21		shal	l be eligible to vote:

2024-1525 HB1781 HD2 HMS0

Page 14

H.B. NO. ¹⁷⁸¹ H.D. ²

1	<u>(A)</u>	The director of finance or the director's
2		designee;
3	<u>(B)</u>	The director of transportation or the director's
4		designee;
5	<u>(C)</u>	The director of business, economic development,
6		and tourism or the director's designee;
7	<u>(D)</u>	The director of planning for the county in which
8		the Panaewa community development district is
9		located or the director's designee;
10	<u>(E)</u>	The chairperson of the board of land and natural
11		resources or the chairperson's designee;
12	<u>(F)</u>	The cultural specialist;
13	(G)	The two at-large members; and
14	(H)	The two representatives of the Panaewa community
15		development district.
16	<u>(e)</u> In tl	he event of a vacancy, a member shall be appointed
17	to fill the va	cancy in the same manner as the original
18	appointment wi	thin thirty days of the vacancy or within ten days
19	of the senate's	s rejection of a previous appointment, as
20	applicable.	

2024-1525 HB1781 HD2 HMSO

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H.B. NO. ¹⁷⁸¹ H.D. 2

(f) The terms of the director of finance; director of
 transportation; county directors of <u>planning or</u> planning and
 permitting; director of business, economic development, and
 tourism; and chairperson of the board of land and natural
 resources; or their respective designees shall run concurrently
 with each official's term of office.

7 The terms of the appointed voting members shall be for four years, commencing on July 1 and expiring on June 30. The 8 9 governor shall provide for staggered terms of the initially 10 appointed voting members so that the initial terms of four 11 members selected by lot shall be for two years, the initial 12 terms of four members selected by lot shall be for three years, 13 and the initial terms of the remaining three members shall be 14 for four years.

15 The governor may remove or suspend for cause any member 16 after due notice and public hearing.

17 (g) Notwithstanding section 92-15, a majority of all 18 eligible voting members as specified in [this] subsection (d) 19 shall constitute a quorum to do business, and the concurrence of 20 a majority of all eligible voting members as specified in [this] 21 subsection (d) shall be necessary to make any action of the

2024-1525 HB1781 HD2 HMS0

Page 16



authority valid. All members shall continue in office until
 their respective successors have been appointed and qualified.
 Except as herein provided, no member appointed under this
 [subsection] section shall be an officer or employee of the
 State or its political subdivisions.

6 (h) For purposes of this section, "small business" means a
7 business that is independently owned and [that is] not dominant
8 in its field of operation."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 3000.

H.B. NO. ¹⁷⁸¹_{H.D. 2}

Report Title:

Panaewa Community Development District; Hawaii Community Development Authority; Establishment

Description:

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Establishes the Panaewa Community Development District to allow for planning, development, and maintenance of public lands in Panaewa, Hawaii. Amends membership of the Hawaii Community Development Authority to include representatives of the Panaewa Community Development District. Effective 7/1/3000. (HD2)

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