

STAND. COM. REP. NO.

1097

Honolulu, Hawaii

MAR 19 , 2021

RE: S.B. No. 468
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 468, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Repeal the school impact fee exemptions for nonresidential development and housing subject to the transient accommodations tax when seeking development in a designated school impact district requiring county subdivision approval, county building permit, or condominium property regime approval of the project;
- (2) Allow construction cost component impact fees to be used to improve or renovate existing structures for school use; and
- (3) Repeal the requirement that an expenditure plan for all collected impact fees be incorporated into the Department of Education's annual budget process.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received

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testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and NAIOP Hawaii. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that school impact fees play a vital role in the development of new school facilities in designated areas where the construction of new housing directly increases student enrollment. Your Committee further finds that combining an expansion of the use of construction cost component impact fees with a separation of the expenditure plan of school impact fees from the Department of Education's annual budget process will provide the Department with flexibility to more efficiently address the needs of each school impact district.

Your Committee has amended this measure by:

- (1) Changing the effective date to December 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 468, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 468, S.D. 1, H.D. 1, and be referred to your Committee on Education.

Respectfully submitted on
behalf of the members of the
Committee on Housing,

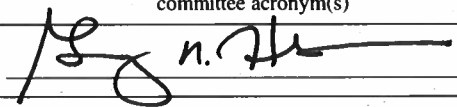


NADINE K. NAKAMURA, Chair



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Record of Votes of the Committee on Housing

Bill/Resolution No.: SB 468, SD1	Committee Referral: HSG, EDN, FIN	Date: 3/18/21		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKAMURA, Nadine K. (C)	✓			
2. HASHIMOTO, Troy N. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. DeCOITE, Lynn	✓			
5. ILAGAN, Greggor	✓			
6. KITAGAWA, Lisa	✓			
7. TAKUMI, Roy M.				✓
8. McDERMOTT, Bob		✓		
TOTAL (8)	6	1	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				