

RE: S.B. No. 3142

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii
Sir:

Your Committee on Hawaiian Affairs, to which was referred S.B. No. 3142 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PUEO DEVELOPMENT, LLC,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for a master planned development proposed by Pueo Development, LLC, at the Waiohuli Hawaiian Homestead.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Hawaii Operating Engineers Industry Stabilization Fund; Pueo Development, LLC; Waiohuli Hawaiian Homesteaders Association Inc.; and eleven individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the development of low- and moderate-income housing, alternative energy sources, infrastructure, and economic opportunities continues to be in the public interest. Pueo Development, LLC, is a Hawaii company that offers sustainable solutions for developing low- and moderate-income housing, alternative energy, and infrastructure, while facilitating economic opportunities through project development. Pueo Development, LLC, proposes to design, build, and operate a master planned development in support of a public-private partnership with Waiohuli Hawaiian Homesteaders Association, Inc., on approximately one hundred fifty acres of Department of Hawaiian Home Lands land in Waiohuli, Maui. This proposed development includes low- and moderate-income housing units; rental housing units; elderly care units; alternative energy development systems; and infrastructure development, including roads and utilities.

Your Committee has carefully considered the use of special purpose revenue bonds to support Pueo Development, LLC, and its proposed development. Your Committee finds that the use of special purpose revenue bonds to assist Pueo Development, LLC, is consistent with similar investments that the State has made for other comparable master planned projects. The issuance of special purpose revenue bonds to assist Pueo development, LLC, will provide critical financial flexibility to support the proposed development's initiatives. The measure will authorize funding for the development, which will create numerous new jobs and housing in the State that will in turn improve the State's economy.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3142 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on
Hawaiian Affairs,

MAILE S.L. SHIMABUKURO, Chair