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COUNTY COUNCIL COUNTY OF MAUI 200 S. HIGH STREET

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February 19, 2023

- TO: The Honorable Donovan M. Dela Cruz, Chair, and Members of the Senate Committee on Ways and Means
- FROM: Alice L. Lee Council Chair

SUBJECT: HEARING OF FEBRUARY 22, 2023; TESTIMONY IN SUPPORT OF SB 1568, SD1, RELATING TO TAXATION

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to extend Maui County's time to enact a General Excise Tax surcharge by the end of the year and to authorize the use of county surcharge revenues for housing infrastructure.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

- 1. Maui County is the only County in the State that is not receiving the benefits of the GET surcharge.
- 2. The surcharge would provide much-needed revenue for Maui County to address its affordable-housing crisis by no longer requiring developers to finance the costs of installing infrastructure up front, and homebuyers would no longer see the costs of infrastructure passed on to them.
- 3. The County and the State have a mutual interest in supporting infrastructure projects that promote affordable-housing development.
- 4. This measure would help ensure skilled employees stay in Maui County, providing economic and social benefits to the community, instead of leaving because of a lack of housing options.

For the foregoing reasons, I **support** this measure.