

From: Bob Gould [mailto:bob.gould@stanfordalumni.org]
Sent: Tuesday, February 18, 2014 5:19 PM
Subject: Council Meeting Testimony on Bill 9 (2014)
OPPOSED

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We are STRONGLY opposed to this bill (Bill 9 (2014)).

This bill amounts to enactment of a regressive tax.

A change in the Real Property Tax is the proper way to address needed revenues for garbage service. That way the City has to justify the increase and face the potential wrath of the voters. While such an increase would bear more heavily on people like us with large valuable properties, a garbage collection fee would bear most heavily on those people with large families (and presumably a lot of garbage as a result) who may well be living on small properties and be hard pressed to make ends meet. As such it is a very regressive tax.

This bill would create a system that would make it too easy for the City to increase charges.

Also, a simple fee is very easy to adjust upward with little or no recourse by the citizens or the City Council. Sewer charges are a good example. As I said in my first email, Frank Fasi told us that the City needed to institute a sewer charge to pay for system upgrades, and we now pay 3 times as much for sewer as we do for water, and we still have deteriorating sewer and water infrastructure. The Board of Water Supply institutes rate increases with little oversight, plus goes to monthly billing with a \$7.70 per month billing charge (thus doubling their income from a bimonthly billing system, and recently increased from \$7.02), plus they have a method of calculation of the credit for watering that is illogical and incorrect, causing us to pay sewer charges for water that goes on the lawn and not down the sewer. Not only that, we have a base charge for our guest cottage, so we are in effect paying twice even though only two people live here. That is the way these kind of 'user fees' can be abused. Mark my words; the \$10 garbage fee will last a very short time before it is increased. Then they may do as the Board of Water Supply did and add a billing charge. (And how does a company get away with that, anyway? That is a cost of doing business, or should be.)

Their next argument will be that they need to reduce the garbage services or raise the fee. When a fee is more directly attached to a service it is much more easy for the operator to justify a reduction in service or an increase in fees.

Garbage collection must be done properly and garbage must be disposed of properly.

We live in a tropical climate where garbage MUST be collected often and disposed of properly. Otherwise we have vermin problems. The City has already strangled the vector control department, and with garbage fees a lot more people are going to be dumping their trash on the roadside.

Tax revenues are the proper way to fund garbage collection.

Certain services should be paid for with tax revenues as they are general benefits for everyone. For years Honolulu has been one of the few enlightened cities that provide garbage services from tax revenues, and any change is just a sneaky and dishonest way to increase the City's general fund. You know as well as I that trust funds are misnamed; there can be no trust when the money goes into the general fund or when other services are paid for by the revenue from the 'trust fund'.

This bill would open the door to fiscal abuse.

Do not let them get their foot in the door. If it happens it will be the start of a general downgrade of services.

We don't want property tax rate increases, either, but a discussion on that issue is at least an open and honest way to discuss raising revenues.

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