



# Hawaii State Association of Counties

Counties of Kauai, Maui, Hawaii and City and County of Honolulu



**MINUTES**  
**HSAC EXECUTIVE COMMITTEE MEETING**  
 April 19, 2014  
 Honolulu Hale, Committee Meeting Room  
 Honolulu, Hawaii

**I. CALL TO ORDER**

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:25 a.m. The following members comprising a quorum were present:

- |                              |                                       |
|------------------------------|---------------------------------------|
| County of Kauai:             | President Mel Rapozo                  |
| County of Hawaii:            | Vice President Dennis "Fresh" Onishi  |
| City and County of Honolulu: | Secretary Stanley Chang               |
| County of Maui:              | Treasurer Michael Victorino           |
| Others Present:              | Councilmember Mike White, Maui County |
|                              | Honolulu staff Andrew Sekine          |
|                              | Kauai staff Ashley Bunda              |
|                              | Maui staff Kim Willenbrink            |

**II. APPROVAL OF AGENDA**

The Committee approved the agenda.

**III. MINUTES**

The Committee approved the minutes of the March 24, 2014, Executive Committee meeting.

**IV. REPORTS**

**A. Treasurer's Report**

1. Treasurer's Report for March 2014 as submitted by the HSAC Treasurer.



The Committee approved the Treasurer's Report.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on Maui County budget and state transient accommodations tax (TAT) deliberations.
2. Hawaii County Report. Vice President Onishi reported on Hawaii County budget deliberations.
3. City and County of Honolulu Report. Secretary Chang reported on the City's budget, the Live Work Play Aiea project, and simulated gambling legislation.
4. Kauai County Report. President Rapozo reported on the Kauai County budget and the "Bynum lawsuit."

The Committee received the county reports.

C. NACo Report

Treasurer Victorino reported on the NACo Rural Action Caucus (RAC) Fly-In, April 8-10, 2014, in Washington, D.C. Issues included MAP-21 reauthorization, municipal bonds, and U.S. Department of Agriculture housing assistance monies.

The Committee received the NACo report.

D. WIR Report

President Rapozo discussed the WIR regional conference in Anchorage, Alaska in May 2014.

Vice President Onishi stated that he will participate in the New Orleans conference.

The Committee received the WIR report.

E. Hawaii State Legislative Session Report

President Rapozo stated that HSAC should decide which TAT proposal to support.

Treasurer Victorino stated that the county council chairs have been providing input to the legislature regarding the TAT proposals.

Vice President Onishi indicated that he is concerned about the discussion process because the council chairs have not conferred with all councilmembers.

Treasurer Victorino stated that he understands that the conferees are interested in hearing from the counties regarding the TAT.

President Rapozo requested that the members come to an agreement on a TAT proposal.

Treasurer Victorino proposed that as a starting point, the members support a 50%-75%-100% phase-out from the current \$93,000,000 cap.

Vice President Onishi suggested that the members share their proposal with the mayors. President Rapozo agreed. Treasurer Victorino stated that he would not want HSAC to proceed with its proposal if any one mayor is vehemently opposed.

After discussion, Treasurer Victorino moved that HSAC support a proposal based on a 9.25% TAT rate with a three-year phase-out at 50%, 75%, and 100% and a separate back-up proposal based on a 7.25% TAT rate at 100%. (50%, 75%, and 100% represent the respective shares of the difference between the amounts the counties would receive under the existing \$93,000,000 cap and the amounts the counties would receive if the cap is removed.) Councilmember White stated that calculations for the former proposal, based on FY13 state TAT collections of \$368,555,996, are as follows:

Amounts Received at 9.25% TAT with 3-Year Phase-Out			
	1 <sup>st</sup> Yr 50%	2 <sup>nd</sup> Yr 75%	3 <sup>rd</sup> Yr 100%
Honolulu	56.9 M	64.9 M	72.8 M
Maui	29.4 M	33.5 M	37.6 M
Hawaii	24.0 M	27.4 M	30.7 M
Kauai	18.7 M	21.3 M	23.9 M

The motion was approved.

Treasurer Victorino stated that the proposal assumes that there is no opposition from the mayors. Responding to a question from Councilmember White, President Rapozo stated that the Committee members will be contacted if any one of the mayors opposes HSAC's

proposal, but any changes to the proposal will require another Committee meeting.

## V. UNFINISHED BUSINESS

There was no unfinished business.

## VI. NEW BUSINESS

- A. Discussion regarding the 2015 WIR Conference and the promotional responsibilities required for the 2014 WIR Conference and 2014 NACo Annual Conference.

The Committee discussed registrations, promotional responsibilities, and hospitality arrangements for the 2014 WIR Conference in Alaska.

- B. Discussion regarding nominations for the NACo Steering Committees.

President Rapozo stated that this item was placed on the agenda because questions have arisen regarding the number of people per state who can serve on a NACo steering committee. President Rapozo reported that the NACo steering committee applications of Hawaii County Councilmember Dru Kanuha and Hawaii County Councilmember Valerie Poindexter have been received.

Treasurer Victorino stated that he will support any HSAC member who is willing to take the time to serve on a steering committee. President Rapozo stated that both applicants are hard-working individuals, and he will let NACo leadership make the decisions on steering committee membership assignments.

President Rapozo made a motion to approve the committee nomination forms for Councilmember Kanuha and Councilmember Poindexter.

The motion was approved.

## VII. ANNOUNCEMENTS

- A. Schedule next meeting.

1. May 15, 2014, 10:00 a.m., Honolulu Hale, Honolulu, Hawaii.

- B. Other announcements.

1. There were no other announcements.

VIII. ADJOURNMENT

The meeting was adjourned at 12:10 p.m.

Very truly yours,

A handwritten signature in black ink, appearing to read 'STANLEY CHANG', with a long, sweeping horizontal stroke extending to the right.

STANLEY CHANG  
Secretary  
Hawaii State Association of Counties