# SCR 196 SR 131

DAVID Y. IGE GOVERNOR OF HAWAII





#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

**Testimony of CARTY S. CHANG Interim Chairperson** 

**Before the Senate Committees on ENERGY AND ENVIRONMENT** and ECONOMIC DEVELOPMENT AND TECHNOLOGY and **GOVERNMENT OPERATIONS** WATER AND LAND

> Tuesday, March 31, 2015 2:45 PM State Capitol, Room 225

#### In consideration of

SENATE CONCURRENT RESOLUTION 196/ SENATE RESOLUTION 131 URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO MANAGE ENERGY LEASES ON PUBLIC LANDS VIA INTERAGENCY AGREEMENTS WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND DEPARTMENT OF AGRICULTURE.

Senate Concurrent 196/Senate Resolution 131 urges the Department of Business, Economic Development and Tourism ("DBEDT") to manage energy leases on public lands via interagency agreements with the Department of Land and Natural Resources ("Department") and the Department of Agriculture ("DOA"). The resolutions also urge DBEDT to make timely disposition of public lands deemed suitable for the development of one or more renewable energy projects. The Department opposes these resolutions.

The Department notes that the disposition of public lands via a lease and the ongoing management of such lease are subject to Chapter 171, Hawaii Revised Statutes (HRS), regardless of whether the land or lease in question is under the management authority of the Department or DBEDT. Additionally, the Department cannot enter into the "interagency agreements" contemplated by these resolutions, should these agreements fail to meet the requirements of Chapter 171, HRS. Furthermore, the Department questions the need for these resolutions, and believes that the recital in the resolutions that "in recent years there have been repeated instances where public land was not

#### CARTY S. CHANG

INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

DANIEL S. QUINN

W. ROY HARDY ACTING DEPUTY DIRECTOR

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE PARKS

available for the development of renewable energy projects due to the inefficient and poorly coordinated management of public lands" is unfounded. In fact, the Department has successfully executed dispositions for renewable energy projects, and is currently negotiating dispositions for additional renewable energy projects.



# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LUIS P. SALAVERIA

MARY ALICE EVANS
DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

### Statement of LUIS P. SALAVERIA

#### Director

Department of Business, Economic Development, and Tourism before the

# SENATE COMMITTEES ON ENERGY AND ENVIRONMENT And ECONOMIC DEVELOPMENT AND TECHNOLOGY And GOVERNMENT OPERATIONS And WATER AND LAND

Tuesday, March 31, 2015 2:45 p.m. State Capitol, Conference Room 225

in consideration of SCR 196 / SR 131

# URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO MANAGE ENERGY LEASES ON PUBLIC LANDS VIA INTERAGENCY AGREEMENTS WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND DEPARTMENT OF AGRICULTURE.

Chairs Gabbard, Wakai, Dela Cruz, and Thielen; Vice Chairs Green, Slom, Nishihara, and Galuteria; and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) offers comments on SCR 196 / SR 131, which urges DBEDT to manage energy leases on public lands via interagency agreements with the Department of Land and Natural Resources and the Department of Agriculture.

DBEDT recognizes that the use of public lands for renewable energy projects can benefit the State of Hawaii if done so in a manner that balances technical, economic, environmental, and cultural considerations. However, DBEDT is not an asset management agency and lacks the necessary human and financial resources to carry out the tasks in this resolution.

DBEDT defers to the Department of Land and Natural Resources and the Department of Agriculture regarding the provisions of this resolution impacting the management of public lands under their jurisdiction.

Thank you for the opportunity to offer these comments on SCR 196 / SR 131.

DAVID Y. IGE Governor

SHAN S. TSUTSUI Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

### State of Hawaii DEPARTMENT OF AGRICULTURE

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

## TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON ENERGY AND ENVIRONMENT, ECONOMIC DEVELOPMENT AND TECHNOLOGY, GOVERNMENT OPERATIONS, AND WATER AND LAND

March 31, 2015 2:45 P.M.

SENATE CONCURRENT RESOLUTION NO. 196 AND RESOLUTION NO. 131 URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO MANAGE ENERGY LEASES ON PUBLIC LANDS VIA INTERAGENCY AGREEMENTS WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND DEPARTMENT OF AGRICULTURE

Chairpersons Gabbard, Wakai, Dela Cruz, and Thielen and Members of the Committees:

Thank you for the opportunity to testify on Senate Concurrent Resolution No. 196 and Resolution No. 131 that requests the Department of Business, Economic Development, and Tourism (DBEDT) to manage energy leases on public lands it determines to be suited for development of renewable energy projects, provided that these public lands have not been set aside for public use by any other State department of agency, and even if these public lands have been set aside for public use, these public lands may still be used for renewable energy development if they are not required or being used for the purpose for which it was set aside.

The Department of Agriculture, with all due respect, does not support these resolutions because of their impact on the Department's land management programs.

First, these resolutions assign renewable energy facilities a higher priority than agricultural use on public lands in the Agricultural District. DOA is currently managing and maintaining public lands specifically set aside for agricultural production under the Agricultural Parks and Non-Agricultural Park Lands programs. Our occupancy rate is 95 percent or higher. For those lands not encumbered with leases, we are actively seeking qualified farmers. DOA is acquiring additional public lands from DLNR via Act 90, Session Laws of Hawaii 2003 because DOA's land management programs have been recognized by the Legislature as the



agency best suited to support agricultural development. We intend to maintain and make available these public lands solely for agricultural production pursuant to our statutory mandate. This is in consonance with the initiatives established by the Ige Administration and the Legislature in support of food security and food self-sufficiency.

Secondly, renewable energy facilities, specifically solar energy, are already permitted on all but "A" rated private agricultural lands. Utility-scale photovoltaic facilities have been or are being approved for mostly agricultural land in central and the north shore of Oahu. The majority of these lands have good productivity potential for most agricultural crops. There are "D" and "E" rated and privately owned agricultural lands found throughout the State for which solar energy facilities are a permitted use without need for a concurrent agricultural activity. DOA has long asked that solar energy developers find sites on these non-prime lands before considering other agricultural lands.

Third, these resolutions appear to set a precedent with respect to the process employed to transfer public lands to State agencies for specific uses.

Thank you for the opportunity to present our testimony.