

STAND. COM. REP. NO.

942

Honolulu, Hawaii

MAR 24 2011

RE: H.B. No. 1164
H.D. 1
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Water, Land, and Housing, to which was referred H.B. No. 1164, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC LANDS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Land and Natural Resources to consider the sale or exchange of Sand Island parcels to leaseholders, and to report its findings and recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Sand Island Business Association; KOGA Engineering and Construction, Inc.; Robert M. Kaya Builders, Inc.; Bob Sakamoto Welding Inc.; Tomco Corp.; Ikaika Builders, Inc.; Ideal Construction, Inc.; Projects Plus, Inc.; Tajiri Demolition and Disposal LLC; Economy Plumbing and Sheet Metal, Inc.; S and M Welding Co., Ltd.; Imua Sales and Service Inc.; Walter Arakaki General Contractor, Inc.; Mitsunaga Construction, Inc.; Downstream, Inc.; and Jayar Construction, Inc. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs and Department of Land and Natural Resources.

Your Committee finds that the Department of Land and Natural Resources relies on income from lease revenues derived from the Sand Island Industrial Park master lease to fund conservation and enforcement activities. Sale of the Sand Island parcels will generate cash inflows, but will not generate a permanent source of



revenue. Therefore, the sale of the lands could detract from the agency's ability to support its own conservation and enforcement activities over an extended period of time.

Authorizing the Department of Land and Natural Resources to consider the exchange of Sand Island parcels to leaseholders will encourage the Department to decide whether it is in the State's best interest to execute a land exchange or retain the fee title to certain Sand Island parcels.

Your Committee has amended this measure by replacing its contents with the contents of S.B. No. 608, S.D. 2, and further amending the measure, upon the recommendation of the Department of Land and Natural Resources, by:

- (1) Making it discretionary that the Department of Land and Natural Resources consider the exchange of any Sand Island parcels and eliminating the Department's duty to consider the sale of any Sand Island parcels; and
- (2) Clarifying the factors that the Department may consider in evaluating an exchange of Sand Island parcels.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1164, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1164, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

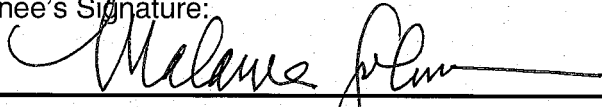
Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Housing,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Water, Land, and Housing
WLH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1164 HDI	WLH, WAM	3/22/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	✓			
SOLOMON, Malama (VC)	✓			
FUKUNAGA, Carol	✓			
RYAN, Pohai	✓			
SHIMABUKURO, Maile		✓		
TOKUDA, Jill N.				✓
SLOM, Sam				✓
TOTAL	4	1		2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes