

CONFERENCE COMMITTEE REP. NO.

49

Honolulu, Hawaii

APR 29 2011 , 2011

RE: S.B. No. 1555
S.D. 2
H.D. 2
C.D. 1

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

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1555, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is establish the Public Land Development Corporation to administer an appropriate and culturally-sensitive public land development program that makes optimal use of public lands for the economic, environmental, and social benefit of the people of Hawaii by:

- (1) Identifying the public lands that are suitable for development;



- (2) Conducting marketing analysis to determine the best revenue-generating programs for the public lands identified; and
- (3) Entering into public-private agreements to:
 - (A) Appropriately develop the public lands identified; and
 - (B) Provide leadership for the development, financing, improvement, or enhancement of the selected development opportunities.

Additionally, this measure provides for the rehabilitation of certain small boat harbor facilities, including the generation of new revenue from the use of such facilities.

Your Committee on Conference has amended this measure by:

- (1) Adding a definition of "development rights";
- (2) Amending the definition of "project facilities" to include improvements;
- (3) Clarifying the duties of the Public Land Development Corporation (Corporation);
- (4) Clarifying that permissible uses of public land pursuant to the new chapter shall include but not be limited to office space; vehicular parking; commercial uses; hotel, residential, and timeshare uses; fueling facilities; storage and repair facilities; and seawater air conditioning plants;
- (5) Clarifying that the Board of Directors of the Public Land Development Corporation shall consist of five voting members, and designating those members;
- (6) Clarifying the powers of the Corporation to authorize the Corporation to acquire or contract to acquire by grant or purchase:
 - (A) Privately owned real property together with improvements in excess of that needed for use in cases where justifiable cause necessitates the acquisition; and



- (B) Encumbrances, in the form of leases, licenses, or otherwise;
- (7) Including leisure, recreational, commercial, residential, timeshare, hotel, office space, and business facilities as public land facilities that the Corporation may acquire, construct, operate, and maintain at rates or charges determined by the Corporation;
- (8) Deleting from the Corporation's powers the authority to carry out specialized programs designed to develop new markets for recreation and visitor-industry-related products;
- (9) Authorizing the Corporation to assume management responsibilities for existing contracts at small boat harbors upon full operation of the Corporation but no later than June 30, 2013;
- (10) Authorizing the Corporation to recommend to the Board of Land and Natural Resources the purchase of any privately owned properties that may be appropriate for development;
- (11) Providing that the Corporation shall not acquire, contract to acquire, own, hold, sell, assign, exchange, transfer, convey, lease, or otherwise dispose of, or encumber any real, personal, or mixed property that is owned by the Department of Land and Natural Resources as of July 1, 2011, except as expressly provided in the new chapter;
- (12) Providing that development rights of small boat harbors that have existing contracts or request for proposals shall not be transferred to the Corporation until the Corporation is able to assume the necessary negotiating, oversight, and management responsibilities, or until June 30, 2013, whichever occurs first;
- (13) Providing that if property to be developed is greater than two hundred acres, the transfer of development rights to the Corporation is subject to disapproval by the Legislature by a two-thirds vote of either chamber or a majority vote of both houses;



- (14) Providing that the Corporation may lease state lands from other public agencies, unless the lease would impair any covenant between the public agency and bond holders;
- (15) Providing that program reserves of the Hawaii public land development revolving fund shall not exceed eighty-five per cent, and that accumulated reserves shall be credited to the special land and development fund, except that reserves attributable to project facilities situated on small boat harbors shall be credited to the boating special fund;
- (16) Deleting Part II, Rehabilitation of Ala Wai Boat Harbor;
- (17) Authorizing the Hawaii Community Development Authority to assist the Corporation;
- (18) Amending the appropriation by:
 - (A) Changing the amount of the appropriation from unspecified to \$135,500;
 - (B) Appropriating the funds from the land conservation fund instead of the general revenues of the State; and
 - (C) Funding an additional staff position to provide for an Executive Director;
- (19) Inserting a severability clause;
- (20) Changing the effective date to July 1, 2011; and
- (21) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.


As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1555, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1555, S.D. 2, H.D. 2, C.D. 1.



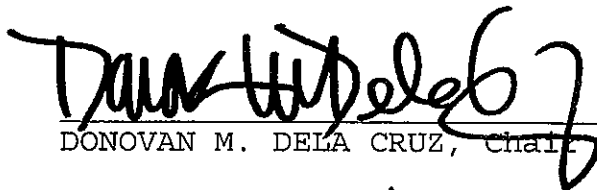
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

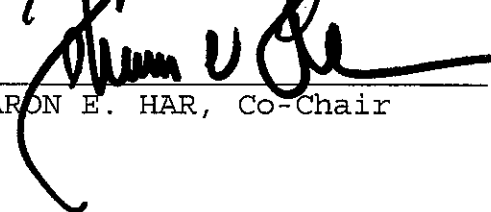
ON THE PART OF THE SENATE



JERRY L. CHANG, Co-Chair



DONOVAN M. DELA CRUZ, Chair



SHARON E. HAR, Co-Chair



DAVID Y. IGE, Co-Chair

Hawaii State Legislature

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 1555, SD 2, HD 2	Date/Time: <i>6:25 p.m. / 4-29-11</i>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

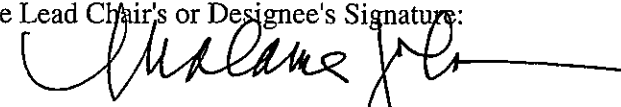

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
DELA CRUZ, Donovan M., Chr.	✓				CHANG, Jerry L., Co-Chr.	✓			
IGE, David Y., Co-Chr.	✓				HAR, Sharon E., Co-Chr.	✓			
GALUTERIA, Brickwood	✓				TOKIOKA, James Kunane	✓			
KOUCHI, Ronald D.	✓				RIVIERE, Gil	✓			
SOLOMON, Malama	✓								
SLOM, Sam				✓					
TOTAL	5	1	1	1	TOTAL	4	1	1	1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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