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Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 608
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 608, S.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:

- (1) Authorize the Department of Land and Natural Resources to consider the exchange of parcels in Sand Island Industrial parcels to leaseholders; and
- (2) Require a report of its findings and recommendations to the Legislature.

Your Committee received written comments in support of this measure from Ideal Construction Inc; Projects Plus Inc.; Walter Y. Arakaki, General Contractor; Rolloffs Hawaii; Tomco Corp.; Pine Enterprises Inc.; Kula Sand, LLC; Commercial Electric, Inc.; Structural Systems, Inc.; Robert M. Kaya Builders, Inc.; SSNR, LLC; Reynolds Recycling; S and M Welding Co. Ltd; Sonny's Service and Repair Inc.; M. Nakai Repair Service Ltd.; R.K. Oshiro Door Service, Inc.; Rons Construction Corporation; Alfred I. Castillo, LLC; Ocean Seafoods; Bob Sakamoto Welding; Liu Holding Company Inc.; Certified Construction Inc.; JM International, LLC; Hawaii Painting and Wallcovering, Inc; Downstream Inc.; CC Engineering and Construction, Inc.; S and M Welding Co., Ltd.; Island Movers; Matt's Transmission Repair; Wong's Meat Market, Ltd.; NJB, LLC; Green Thumb Incorporated; Commercial Electric, Inc; Mitsunaga



Construction, Inc; Kamaaina Roofing LLC; Reliable Fire Protection, Inc.; Dorvin D. Leis Co. Inc; Ikaika Builders, Inc.; Tajiri Demolition and Disposal LLC; Eagle Construction Co.; RSI Roofing and Building Supply; Economy Plumbing and Sheet Metal, Inc.; LK Takamori, Inc.; Imua Sales and Service Inc.; and five individuals. Your Committee received comments on the measure from William J. Aila, Jr., Chairperson, Department of Land and Natural Resources.

Your Committee finds that in 1992, the Department of Land and Natural Resources entered into a fifty-five year lease with the Sand Island Business Association for the seventy-four acre Sand Island Industrial Park. The Sand Island Business Association, which developed the infrastructure, subleased the lots, and took over management of the park, completed more than \$41,000,000 in infrastructure improvements. The members of the association invested an additional \$20,000,000 in leasehold improvements to individual lots. As a result of these substantial investments, members of the Sand Island Business Association are interested in purchasing fee title to the lands.

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.

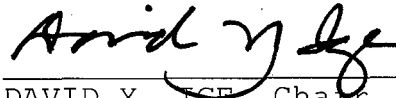
Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 608, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 608, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 608 SD1	WLM, WAM	3-1-11		
<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 checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai	/			
TOKUDA, Jill N.				/
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	13	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

revised

*Only one measure per Record of Votes