

JAN 18 2019

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# A BILL FOR AN ACT

RELATING TO PUBLIC LANDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 171-95, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§171-95 Disposition to governments, governmental  
4 agencies, public utilities, and renewable energy producers. (a)

5 Notwithstanding any limitations to the contrary, the board of  
6 land and natural resources may, without public auction:

7           (1) Sell public lands at such price and on such other  
8 terms and conditions as the board may deem proper to  
9 governments, including the United States, city and  
10 county, counties, other governmental agencies  
11 authorized to hold lands in fee simple and public  
12 utilities;

13           (2) Lease to the governments, agencies, public utilities,  
14 and renewable energy producers public lands for terms  
15 up to, but not in excess of, sixty-five years at such  
16 rental and on such other terms and conditions as the  
17 board may determine;



- 1           (3) Grant licenses and easements to the governments,  
2 agencies, public utilities, and renewable energy  
3 producers on such terms and conditions as the board  
4 may determine for road, pipeline, utility,  
5 communication cable, and other rights-of-way;
- 6           (4) Exchange public lands with the governments and  
7 agencies;
- 8           (5) Execute quitclaim deeds to the governments and  
9 agencies, with or without consideration, releasing any  
10 claim to the property involved made upon disputed  
11 legal or equitable grounds, whenever the board in its  
12 discretion deems it beneficial to the State; and
- 13           (6) Waive or modify building and other requirements and  
14 conditions contained in deeds, patents, sales  
15 agreements, or leases held by the governments and  
16 agencies whenever such waiver or modification is  
17 beneficial to the State.
- 18           (b) In any disposition to public utilities under this  
19 section:
- 20           (1) The sale price or lease rental shall be no less than  
21 the value determined in accordance with section



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- 1           171-17(b); provided that such sale price or lease  
2           rental may be on a nominal basis, if the board finds  
3           that such easement is required in connection with a  
4           government project;
- 5           (2) The board shall provide that in case the land ceases  
6           to be used at any future time for the use for which  
7           the disposition was made, the board shall have the  
8           right to repurchase the land at the original sale  
9           price or fair market value, whichever is lower, and to  
10          purchase improvements thereon at the depreciated value  
11          or fair market value, whichever is lower;
- 12          (3) Disposition shall not be made to any public utility if  
13          the utility has suitable lands of its own;
- 14          (4) The disposition to public utilities shall be subject  
15          to disapproval by the legislature by two-thirds vote  
16          of either the senate or the house of representatives  
17          or by majority vote of both, in any regular or special  
18          session next following the date of the disposition;  
19          and



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1           (5) For the purposes of this section, the definition of  
2           "public utility" as defined in section 269-1 is hereby  
3           incorporated herein by reference.

4           (c) Prior to any sale, lease, or exchange of public lands  
5 to a governmental agency under this section, a fair market  
6 appraisal shall be performed pursuant to section 171-17.

7           ~~(e)~~ (d) For the purposes of this section, "renewable  
8 energy producer" means:

9           (1) Any producer or developer of electrical or thermal  
10           energy produced by wind, solar energy, hydropower,  
11           geothermal resources, landfill gas, waste-to-energy,  
12           ocean thermal energy conversion, cold seawater, wave  
13           energy, biomass, including municipal solid waste,  
14           biofuels or fuels derived from organic sources,  
15           hydrogen fuels derived primarily from renewable  
16           energy, or fuel cells where the fuel is derived  
17           primarily from renewable sources that sell all of the  
18           net power produced from the demised premises to an  
19           electric utility company regulated under chapter 269  
20           or that sells all of the thermal energy it produces to  
21           customers of district cooling systems; provided that



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1 up to twenty-five per cent of the power produced by a  
 2 renewable energy producer and sold to the utility or  
 3 to district cooling system customers may be derived  
 4 from fossil fuels; or

5 (2) Any grower or producer of plant or animal materials  
 6 used primarily for the production of biofuels or other  
 7 fuels; provided that nothing herein is intended to  
 8 prevent the waste product or byproduct of the plant or  
 9 animal material grown or produced for the production  
 10 of biofuel, other fuels, electrical energy, or thermal  
 11 energy, from being used for other useful purposes."

12 SECTION 2. Statutory material to be repealed is bracketed  
 13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect upon its approval.

15 INTRODUCED BY:

*G. Rivier*

*[Signature]*

*Clarence K. Mishkin*

*[Signature]*

*[Signature]*

*Anna Merendino*

*D. K. [Signature]*



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**Report Title:**

Public Lands; Sales; Leases; Exchanges; Governmental Agency;  
Fair Market Appraisal

**Description:**

Requires a fair market appraisal to be performed prior to any sale, lease, or exchange of any public land to a governmental agency without public auction.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

