

STAND. COM. REP. NO.

2146

Honolulu, Hawaii

FEB 09 2018

RE: H.B. No. 1270
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred H.B. No. 1270, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LAND ACQUISITION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Board of Land and Natural Resources to enter into negotiations to acquire the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii, pursuant to its statutory authority and in consultation with the Senate President and Speaker of the House of Representatives, to acquire land having value as a resource to the State; and
- (2) Appropriate funds from the land conservation fund to purchase the property from Hanano Nursery, Inc.

Your Committee received testimony in support of this measure from the Department of Agriculture, Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii, and Ho'omanapono Political Action Committee. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.



Your Committee finds that the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii, is approximately ten acres in size and located in a prime agricultural region. While its primary use appears to be nursery-related, the property may be used for diversified agriculture. According to the Department of Land and Natural Resources, if acquired, the property will be used for the expansion of nursery facilities with priority given to the development and growing of disease-resistant 'Ōhi'a. Furthermore, the Department prefers to share the property with the Department of Agriculture to enable the Department of Agriculture to use a substantial portion of the property as a host site for relocating its agricultural facilities. This measure will enable the Department of Land and Natural Resources to acquire this prime property.

Your Committee notes that the Department of Land and Natural Resources requests a funding source other than the land conservation fund be used for the acquisition of the property. Furthermore, the Department testified that this type of land acquisition is not suitable for legacy lands because the property will be used for operational, non-legacy land purposes.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that directs the Board of Land and Natural Resources to acquire property pursuant to its statutory authority and in consultation with the Senate President and Speaker of the House of Representatives, to acquire land having value as a resource to the State under section 173A-4, Hawaii Revised Statutes, and inserting language that requires the Board to acquire the property at a purchase price that does not exceed the appraised value of the property as appraised by the Department of Land and Natural Resources;
- (2) Removing the appropriation from the land conservation fund to purchase the property and inserting language that authorizes the Director of Finance to issue general obligation bonds for the purchase of the property;



- (3) Adding an appropriation for the Board of Land and Natural Resources to engage in negotiations and conduct due diligence of the property;
- (4) Adding language that directs all unencumbered monies from the general obligation bond appropriations for the purchase of the property to lapse as of June 30, 2020; and
- (5) Changing the effective date from July 1, 2050, to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1270, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1270, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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

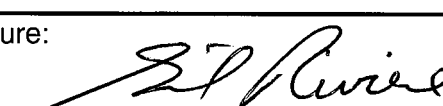


KARL RHOADS, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* HB 1270, HDI	Committee Referral: WTL, WAM	Date: 1/26/18		
<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
RHOADS, Karl (C)	X			
GABBARD, Mike (VC)				X
INOUYE, Lorraine R.				X
RIVIERE, Gil	X			
THIELEN, Laura H.	X			
TOTAL	3	0	0	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