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## HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO  
CONDUCT AN ANALYSIS OF INCENTIVES TO PROMOTE LANDOWNER  
PROTECTION OF IMPORTANT MAUKA FOREST LANDS.

1           WHEREAS, preserving and protecting our natural environment  
2 and resources are critical to ensure a promising future for our  
3 residents, especially our children; and  
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5           WHEREAS, in Hawaii, the United States, and worldwide, we  
6 are losing our natural resources at an unprecedented rate; and  
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8           WHEREAS, human activity is driving the world's habitats and  
9 species to extinction, including the very plants, animals, and  
10 natural systems that control processes we depend upon, such as  
11 the carbon cycle, pollination, and our fresh water supply; and  
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13           WHEREAS, mauka forest areas in Hawaii help to control  
14 flooding, hold soil in place, stabilize the climate by absorbing  
15 atmospheric carbon, and soak up water like a sponge, gradually  
16 meting it out to provide a steady, year-round supply of pure,  
17 fresh water; and  
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19           WHEREAS, mauka forest lands provide scenic beauty for  
20 residents and visitors and are the last refuge for many of  
21 Hawaii's rare and endangered plants and animals, many of which  
22 exist nowhere else on earth; and  
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24           WHEREAS, these ecosystem services are provided to the  
25 public essentially for free as a natural occurrence; and  
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27           WHEREAS, other lands in Hawaii, such as beachfront property  
28 and agricultural lands, are easily valued by their re-sale and  
29 production values; and  
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31           WHEREAS, Hawaii's mauka forests and the goods and services  
32 they provide are not easily traded either domestically or  
33 internationally, hence there is no direct measure of their  
34 economic value; and



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2 WHEREAS, one obstacle to protection of Hawaii's mauka  
3 forests is the apparent failure to recognize that the benefits  
4 of protection and conservation accrue to a large public base,  
5 but the responsibility for much of the care and management falls  
6 predominantly on a small subset of the population that owns  
7 mauka forest lands; and

8  
9 WHEREAS, although the ecosystem services provided by mauka  
10 forests are actually public necessities, a significant free-  
11 rider problem creates a disincentive for individual landowners  
12 to invest significantly in protection and preservation without a  
13 reasonable financial return or any governmental assistance or  
14 incentive; and

15  
16 WHEREAS, a significant portion of important mauka forest  
17 land is restricted by state conservation land use limitations  
18 and, therefore, cannot generate a significant revenue stream for  
19 landowners who nevertheless are assessed real property taxes on  
20 these lands; and

21  
22 WHEREAS, sound economic valuation should account for the  
23 opportunity cost of a diminished natural resource and, although  
24 these ecosystem services are essentially free, their elimination  
25 or degradation and replacement will come at a significant cost;  
26 and

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28 WHEREAS, the replacement cost of the fresh water filtration  
29 system alone, including, for example, the cost of desalination  
30 plants and the capital costs of flood control, would be  
31 astronomically high; and

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33 WHEREAS, environmental economists recently have shown that  
34 natural capital can be valued similarly to manufacturing  
35 equipment since both provide economic value; and

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37 WHEREAS, for example, the one hundred thousand acres of  
38 forested watershed in the Koolau Mountains on the island of  
39 Oahu, including their amenities, such as ground water quantity,  
40 water quality, in-stream uses, species habitat, biodiversity,  
41 subsistence, hunting, aesthetics, commercial harvests,  
42 ecotourism, and climate control, have been valued at between  
43 \$7,400,000,000 and \$14,000,000,000; and  
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1 WHEREAS, enhanced groundwater recharge provided by Koolau  
2 forests accounts for over \$2,000,000,000 of these total costs;  
3 and  
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5 WHEREAS, we can begin to reform policy by thinking of the  
6 environment not as a "free good", but as a capital resource that  
7 will depreciate without appropriate care; now, therefore,  
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9 BE IT RESOLVED by the House of Representatives of the  
10 Twenty-third Legislature of the State of Hawaii, Regular Session  
11 of 2006, that the Department of Land and Natural Resources, in  
12 consultation with mauka landowners, other stakeholders, and  
13 persons with relevant scientific and economic expertise, is  
14 requested to conduct an analysis of local, national, and  
15 international incentives and other programs to promote landowner  
16 protection of important mauka forest lands and recognize the  
17 public benefits of the ecosystem services provided by those  
18 lands; and  
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20 BE IT FURTHER RESOLVED that the Department of Land and  
21 Natural Resources is requested to submit an interim report of  
22 its work to the Legislature, not later than twenty days before  
23 the convening of the Regular Session of 2007, and a final report  
24 of its findings and recommendations, including any proposed  
25 legislation, to the Legislature not later than twenty days  
26 before the convening of the Regular Session of 2008; and  
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28 BE IT FURTHER RESOLVED that a certified copy of this  
29 Resolution be transmitted to the Chairperson of the Board of  
30 Land and Natural Resources.  
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OFFERED BY:

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