

---

---

# A BILL FOR AN ACT

RELATING TO LANDS CONTROLLED BY THE STATE.

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

1           SECTION 1. Chapter 171, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "~~§171-~~       Sale of lands under the control of state  
5 departments and agencies; legislative approval required. (a)

6 Notwithstanding any law to the contrary, no sale of:

- 7           (1) Land defined as public land under section 171-2;  
8           (2) Land set aside pursuant to law for the use of the  
9               United States;  
10          (3) Land being used for roads and streets;  
11          (4) Land to which the United States relinquished the  
12               absolute fee and ownership under section 91 of the  
13               Hawaiian Organic Act prior to the admission of Hawaii  
14               as a state of the United States unless subsequently  
15               placed under the control of the board of land and  
16               natural resources and given the status of public lands  
17               in accordance with the State Constitution, the



1           Hawaiian Homes Commission Act, 1920, as amended, or  
2           other laws;

3           (5) Land to which the University of Hawaii holds title;

4           (6) Land to which the Hawaii housing finance and  
5           development corporation in its corporate capacity  
6           holds title;

7           (7) Land to which the department of agriculture holds  
8           title by way of foreclosure, voluntary surrender, or  
9           otherwise, to recover moneys loaned or to recover  
10          debts otherwise owed the department under chapter 167;

11          (8) Land that is set aside by the governor to the Aloha  
12          Tower development corporation; lands leased to the  
13          Aloha Tower development corporation by any department  
14          or agency of the State; or land to which the Aloha  
15          Tower development corporation holds title in its  
16          corporate capacity;

17          (9) Land that is set aside by the governor to the  
18          agribusiness development corporation; land leased to  
19          the agribusiness development corporation by any  
20          department or agency of the State; or land to which  
21          the agribusiness development corporation in its  
22          corporate capacity holds title; or



1       (10) Land to which the high technology development  
2           corporation in its corporate capacity holds title;  
3 in fee simple shall be made without the approval of the  
4 legislature by at least a two-thirds majority vote of the  
5 members to which each house is entitled in a regular or special  
6 session at which a concurrent resolution is submitted for  
7 introduction to the legislature for review of a sale of public  
8 land pursuant to subsection (b).

9       (b) The state department or agency shall submit for  
10 introduction to the legislature a concurrent resolution for  
11 review of any sale of state land. The concurrent resolution  
12 shall contain a list of all sales of state land proposed by the  
13 state department or agency and shall be submitted with the  
14 proposed deed for the sale to be executed by the parties  
15 together with the following information:

16       (1) The location and area of the parcel of land to be  
17           sold;

18       (2) The value of the land to be sold;

19       (3) The names of all appraisers performing appraisals of  
20           the land to be sold;

21       (4) The date of the appraisal valuation;

22       (5) The purpose for which the land is being sold; and



1       (6) A detailed summary of any development plans for the  
2               land to be sold.

3       (c) If the legislature fails to approve the concurrent  
4 resolution to authorize the sale of state land under the control  
5 of the state department or agency as provided in subsection (a),  
6 the transaction shall not be consummated by the state department  
7 or agency."

8               SECTION 2. Section 171-13, Hawaii Revised Statutes, is  
9 amended to read as follows:

10               "**§171-13 Disposition of public lands.** Except as otherwise  
11 provided by law and subject to other provisions of this chapter,  
12 including section 171- , the board may:

13               (1) Dispose of public land in fee simple, by lease, lease  
14 with option to purchase, license, or permit[+], and in  
15 the case of a disposition in fee, subject to the  
16 approval of the legislature pursuant to section  
17 171- ; and

18               (2) Grant easement by direct negotiation or otherwise for  
19 particular purposes in perpetuity on such terms as may  
20 be set by the board, subject to reverter to the State  
21 upon termination or abandonment of the specific  
22 purpose for which it was granted, provided the sale



1 price of such easement shall be determined pursuant to  
2 section 171-17(b).

3 No person shall be eligible to purchase or lease public lands,  
4 or to be granted a license, permit, or easement covering public  
5 lands, who has had during the five years preceding the date of  
6 disposition a previous sale, lease, license, permit, or easement  
7 covering public lands cancelled for failure to satisfy the terms  
8 and conditions thereof."

9 SECTION 3. Notwithstanding any other law to the contrary,  
10 including sections 171-13 and 171- , the board may sell, at  
11 fair market value in accordance with section 171-17, by direct  
12 negotiation and without recourse to public auction, no more than  
13 fifteen acres of public lands listed under subsection 171- (a),  
14 to an eleemosynary organization that has been certified to be  
15 tax-exempt under sections 501(c)(1) or 501(c)(3) of the Internal  
16 Revenue Code of 1986, as amended, in fee simple to be used as  
17 the site of a community center on the following conditions:

18 (1) The lands shall be used by the eleemosynary  
19 organization for a community center that shall be made  
20 available to the public without regard to race, creed,  
21 color, national origin, sex, or mental or physical  
22 handicap;



- 1           (2) The eleemosynary organization shall demonstrate  
2           sources of funding sufficient to construct and  
3           maintain a multi-purpose community center with  
4           sufficient size and facilities to serve a community of  
5           twenty-five thousand people, including:
- 6           (A) A major aquatic center with two swimming pools;  
7           (B) An athletic complex with a gymnasium that houses  
8           a national collegiate athletic association  
9           regulation-sized basketball court;
- 10          (C) Performing arts center;  
11          (D) Educational and vocational training center; and  
12          (E) At least three hundred parking stalls;
- 13          (3) The major donors contributing to the capital  
14          improvements or maintenance of the community center  
15          require the eleemosynary organization to own the land  
16          in fee simple instead of a lease under section 171-  
17          43.1; and
- 18          (4) If the land is not used or ceases to be used for the  
19          purpose set forth in paragraph (1), ownership of the  
20          land and any improvements constructed thereon shall  
21          revert to the department or agency originally holding  
22          title to the land.



1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2050;  
4 provided that section 3 shall be repealed on December 31, 2010.



**REPORT Title:**

State Lands; Legislative Approval Prior to Sale

**Description:**

Requires legislative approval of the sale of any state land under the control of certain state departments or agencies with limited exceptions. Makes conforming amendments to section 171-13, HRS. Allows DLNR to sell 15 acres of state land to eleemosynary organizations under certain conditions without legislative approval for 3 years. (SB1924 HD1)

