

Honolulu, Hawaii

April 29, 2008

RE: S.B. No. 2423
S.D. 2
H.D. 2
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2423, S.D. 2, H.D. 2, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to direct the Department of Land and Natural Resources or any appropriate entity of the State to acquire lands situated in central Oahu owned by the Galbraith Estate by negotiation or condemnation.

This purpose of this measure has been amended and now authorizes the Governor of the State of Hawaii to negotiate on behalf of the State with private interested parties to purchase the resort property located in Kahuku, Oahu owned by Oaktree Capital Management, LLC, through its subsidiary Kuilima Resort Company and their successor in interest. The subject property under negotiation includes the lands known as the Turtle Bay Hotel and Resort.



The measure has been supported by the Governor of the State of Hawaii, Office of Planning, Sierra Club - Hawaii Chapter, Koolauloa-North Shore Alliance, Save Our Surf, Windward Ahupuaa Alliance, Trust for Public Land and numerous concerned individuals. Therefore, the Legislature finds this measure necessary to protect pristine lands, needed jobs and endangered species.

It is the intent of the Legislature that the Governor is authorized to:

- (1) Negotiate with Kuilima Resort Company, Oaktree Capital Management, LLC, and others holding interest in the property;
- (2) Enter into a cooperative agreement with private or other public entities to cooperatively acquire the property if acquisition of the sole interest in the property is infeasible; or
- (3) Exercise the power of eminent domain on all or part of the property if an agreement to acquire the property is not reached within a reasonable time.

Your Committee on Conference has amended this bill by:

- (1) Removing Section 7 to allow the Governor to set the base at an appropriate level; and
- (2) Amending the effective date to take effect upon approval; provided that section 6 shall take effect on July 1, 2008.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2423, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2423, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

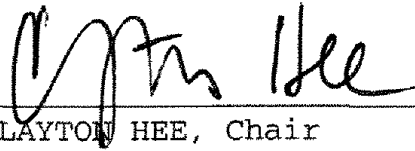
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

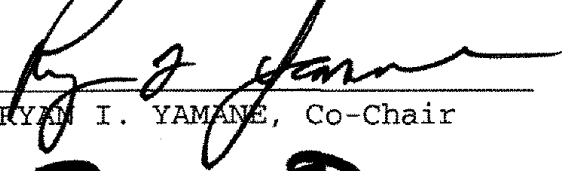




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MARCUS R. OSHIRO, Co-Chair



