

LINDA LINGLE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

WRITTEN TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON WATER, LAND, OCEAN RESOURCES AND
HAWAIIAN AFFAIRS
WEDNESDAY, FEBRUARY 6, 2008
8:30 a.m.
Room 312

HOUSE BILL 2518
RELATING TO LAND CONSERVATION

Chair Ito, Vice-Chair Carroll and Members of the Committee:

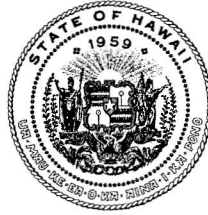
Thank you for the opportunity to testify on House Bill No. 2518 that seeks to establish a tax credit to encourage the preservation and protection of certain donated or "bargain sale" lands in the State at less than fair market value, and in perpetuity. The Department of Agriculture supports the intent of this measure provided that it does not displace or adversely affect the priorities in the Executive Biennium Budget and offers one amendment that could help to protect more agricultural lands. We defer to the Department of Taxation regarding the tax credit and its implications on the State budget.

We recommend an amendment that will help to designate important agricultural lands and offer land owners of these lands access to incentives for important agricultural lands that will be developed and enacted by the legislature, provided they do not conflict with the provisions of this new section.

We would like to add the following amendment to be inserted on page 2, after line 3:

"The holder of the interest in agricultural lands protected or preserved pursuant to this section may petition the state land use commission for designation of the affected agricultural lands as important agricultural land, pursuant to section 205-45 and have access to incentives developed and enacted pursuant to Part III of chapter 205 that do not adversely affect the provisions of this section."

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES**

on House Bill 2518 – RELATING TO LAND CONSERVATION

BEFORE THE HOUSE COMMITTEE
ON
WATER, LAND, OCEAN RESOURCES & HAWAIIAN AFFAIRS

February 6, 2008

House Bill 2518 provides a land conservation incentive tax credit to encourage the preservation and protection of land in the State. While the Department of Land and Natural Resources (Department) supports the intent of this measure to provide incentives for landowners to preserve and protect their important mauka lands, the Department nonetheless defers to the Department of Taxation on any tax implications and effects the bill would have on their operations.

Over half of the lands in Hawai‘i are privately owned and *mauka* lands, including intact forests, open woodlands, and pasture lands, and provide a significant amount of “ecosystem services,” that support all of Hawaii’s residents and visitors. These services include the delivery of clean drinking water, carbon sequestration that stabilizes the climate, cultural practices, opportunities for recreation, and many others. These lands also play a critical role in supporting Hawaii’s unique native plants and animals. It is essential to provide solid stewardship incentives for private landowners to care for *mauka* lands that are critical in ecosystem service production.

The Department participated in a working group formed in response to House Concurrent Resolution (HCR) 200, 2006 Legislative Session, to conduct an analysis of local, national, and international incentive programs that promote landowner protection of important *mauka* lands and recognize the public benefits of the ecosystem services provided by those lands. The establishment of state tax credits for donated conservation easements and landowner-funded activities that promote conservation on private lands was one of the key recommendations in the working group report (<http://hawaii.gov/dlnr/reports/2008/division-of-forestry-wildlife/FW08-Important-Mauka-Lands-Report.pdf>).

Promoting conservation easements is a valuable conservation tool. Conservation easements are restrictions placed on land to enhance conservation values. They are either voluntarily sold or donated by a landowner. The Legacy Land Conservation Program (LLCP), Chapter 173A, Hawaii Revised Statutes, provides State funding for the acquisition of conservation easements on lands having value as a resource to the State. This measure would provide tax credits for landowners that donate or make a bargain sale of land or conservation easements or voluntarily

invest in conservation management. These credits would be added to Federal tax benefits for these actions. The combination of existing Federal tax benefits and proposed State tax credits will likely provide an immediate stimulation to expanded conservation actions and promote delivery of ecosystem services on *mauka* lands throughout the State with its public benefits.

Below are excerpts from the HCR 200 Report, Exhibit F. - *Overview of Conservation Easements and Related Tax-benefits*, with additional information on the benefits of State Tax Credits.

- **What are the benefits to a landowner of donating or selling a conservation easement over all or part of his or her land?**
 - Landowners may receive a federal income tax deduction for all or a portion of the value of a donated conservation easement
 - In 12 states, landowners may receive a state tax credit for all or a portion of the value of a donated conservation easement
 - Landowners who donate conservation easements can significantly lower their estate taxes
 - Landowners with conservation easements may enjoy reduced property taxes for land under easement

- **State Tax Credit Benefits**
 - In addition to federal income tax deductions, landowners who donate conservation easements may also be eligible for a state tax credit. Twelve states currently offer some form of state tax benefit based on the value of a donated easement, though there is no uniform model.
 - Most of these states adopt the eligibility criteria found in the federal Internal Revenue Code section 170(h).
 - The state tax credit may be for all or a portion of the fair market value of the easement, subject to an annual cap, and may allow any unused value be carried forward for a set period of years.
 - Some states make the credits tradable – meaning the tax credits may be sold to a third party for cash (usually at a reduced rate)
 - Some states also allow landowners to seek credits based on transaction costs from the easement donation (e.g. assessors fees) or for stewardship and other land management costs

LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



KURT KAWAFUCHI
DIRECTOR OF TAXATION

SANDRA L. YAHIRO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809

PHONE NO: (808) 587-1510
FAX NO: (808) 587-1560

**HOUSE COMMITTEE ON WATER, LAND, OCEAN RESOURCES &
HAWAIIAN AFFAIRS**

**TESTIMONY REGARDING HB 2158
RELATING TO LAND CONSERVATION**

TESTIFIER: KURT KAWAFUCHI, DIRECTOR OF TAXATION (OR DESIGNEE)

DATE: FEBRUARY 6, 2008

TIME: 8:30AM

ROOM: 312

This legislation provides a nonrefundable income tax credit for bargain sales or contributions of land for purposes of preservation.

The Department of Taxation has concerns with this legislation.

The Department very much recognizes the importance of preserving conservation and culturally relevant lands in order to maintain Hawaii's priceless lands. However, the Department has issues with administering this tax credit.

I. TECHNICAL COMMENTS

The following technical flaws are apparent:

USE OF FAIR MARKET VALUE—The Department is always apprehensive when "fair market value" is used as the standard by which a tax credit or other tax incentive is calculated. Fair market value can mean something different to anyone, especially when a tax benefit is involved. The concern for the Department relates more to perceived frauds and abuses of land prices used to calculate the amount of the credit. Assuming fair market value is the only measure that can be used for this credit, the Department strongly suggests that the bill be amended to require a qualified appraisal of any land deals. For even more fraud protection, the Department suggests incorporating a penalty that will penalize both a taxpayer and appraiser who are complicit in a fraudulent land deal for purposes of this credit. As an alternative, assessed values of lands on the county records may be another viable alternative to a reasonable valuation determination.

PROPERTY CLASS STANDARDS—The Department is concerned about certain of the

definitions used with the credit. For example, "conservation and preservation purpose" and "cultural property" are both very broad terms and the express definitions only increase the expanse of these definitions. The Department recognizes the rulemaking authority; however settling the issue in statute is the preferred method.

PUBLIC OR PRIVATE CONSERVATION AGENCY—There is concern over who will be running any conservation program. In order to ensure continuity and consistency, the Department suggests amending the bill to ensure some specific government agency be charged with implementing the conservation program before any tax credit is available.

PASS-THROUGH ENTITY PROVISION—Subsection (g) is unnecessary and confusing. Well-settled principles of partnership (pass-through) entity law typically do not allow any tax consequences for the "entity." All tax attributes of a partnership flow through to the partners that realize the tax consequences on individual tax returns. The Department strongly suggests that subsection (g) be eliminated entirely.

DOUBLE TAX BENEFIT—Generally, the taxpayer would receive a charitable contribution deduction for the donation of the property to a government entity or a nonprofit entity. In addition, arguably providing a tax credit in exchange for the donation could be treated as taxable sale of the property.

RULEMAKING—The Department already has broad rulemaking authority. Subsection (i) is unnecessary. There is also a conflict between subsection (i) and (j). Do both agencies get to make concurrent rules? Will one agency's rules trump the other?

II. REVENUE IMPACT

This legislation will result in a revenue loss of approximately \$3.2 million for FY 2009.



**THE TRUST FOR PUBLIC LAND'S TESTIMONY IN SUPPORT OF
HB 2518**

**House Committee on Water, Land, Ocean Resources & Hawaiian Affairs
Wednesday, February 6, 2008, 8:30 a.m., Room 312
(25 Copies Needed)**

Dear Chair Ito and Committee Members:

The Trust for Public Land (TPL) supports HB 2518 Relating to Land Conservation.

TPL conserves land for people to enjoy as parks, gardens and other natural places, ensuring livable communities for generations to come. Nationwide, TPL has five program initiatives: (1) providing parks for people, (2) protecting working lands (farms, ranches, and forests), (3) conserving natural lands (wilderness, wildlife habitat), (4) safeguarding heritage lands (cultural and historical resources), and (5) preserving land to ensure clean drinking water and the natural beauty of our coasts and waterways. In Hawai'i, TPL has worked with public and private partners to conserve over 36,000 acres of land in the State, including Waimea Valley on O'ahu, Lumaha'i Beach on Kaua'i, Wao Kele o Puna on the Big Island, Mū'olea Point in Hana on Maui, and portions of Hālawā Valley on Moloka'i.

As development and urban sprawl increase, concern about the future of land use and its relation to Hawai'i's natural resources, economy and heritage have come to the forefront of community concern. Some of these concerns are protected and embodied in recent laws providing funding for the acquisition of private lands for public conservation purposes. The recent State Legacy Lands Act is but one example.

Funding from programs such as the Legacy Lands Conservation Program yield great benefits to the people of Hawai'i, but further incentives are necessary to provide alternatives to the tremendous financial pressures to convert needed agricultural or conservation land to other uses that generate greater revenue. It is also impossible for the government to acquire and take care of all of these lands.

HB 2518 provides a voluntary incentive for private landowners to protect our precious lands and offers an alternative to acquisition and government management. It advances conservation by creating a competitive class of land use in an economy where conversion by private landowners to other uses are an attractive or economic necessity. We urge you to support HB 2518.

Mahalo for the opportunity to testify.

Lea Hong
Hawaiian Islands Program Director

HISTORIC HAWAII FOUNDATION

VIA EMAIL: WLHtestimony@capitol.hawaii.gov

To: Representation Ken Ito, Chair
Representative Jon Riki Karamatsu, Vice Chair
Committee on Water, Land, Ocean Resources and Hawaiian Affairs

From: Kiersten Faulkner
Executive Director, Historic Hawai'i Foundation

Committee Date: Wednesday, February 6, 2008
8:30 a.m.
Conference Room 312

Subject: **Support of HB2518 Relating to Land Conservation**

On behalf of Historic Hawai'i Foundation (HHF), I am writing in support of HB2518. Since 1974, Historic Hawai'i Foundation has been a statewide leader for historic preservation. HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life and economic viability of the state.

Historic Hawai'i Foundation supports HB2518, which would provide a credit against state taxes to encourage the preservation and protection of conservation land in the State.

Hawai'i's essential character is a combination of its unique flora and fauna, distinct history and culture, and the places where people enjoy the benefits of Hawai'i's natural, historic and cultural resources.

Preserving and perpetuating these places for the use and enjoyment of present and future generations will take several efforts in combination, including public-private partnerships and strategic investments.

The use of conservation easements is one such program. Owners of properties with natural, conservation, historic and cultural significance have a special responsibility for conserving those resources. Many have the desire to see the land and its inherent values protected in perpetuity and voluntarily restrict future development that would negatively impact those resources. SB2198, by providing a tax credit for conservation easements, would help make that protection economically feasible and financially viable. The benefits for Hawai'i will be felt for generations at a much lower cost to the State than from fee simple purchase and public ownership.

Therefore, Historic Hawai'i Foundation urges your support for HB2518 to provide a land conservation incentives tax credit.

Very truly yours,



Kiersten Faulkner



Testimony of The Nature Conservancy of Hawai'i
Supporting H.B. 2518 Relating to Land Conservation
House Committee on Water, Land, Ocean Resources & Hawaiian Affairs
Wednesday, February 6, 2008, 8:30 AM, Room 312

The Nature Conservancy of Hawai'i is a private non-profit conservation organization dedicated to the preservation of Hawai'i's native plants, animals, and ecosystems. The Conservancy has helped to protect nearly 200,000 acres of natural lands for native species in Hawai'i. Today, we actively manage more than 32,000 acres in 11 nature preserves on O'ahu, Maui, Moloka'i, Lāna'i, Hawai'i and Kaua'i and also work closely with government agencies and private landowners on cooperative land management projects.

The Nature Conservancy of Hawai'i supports H.B. 2518 Relating to Land Conservation.

More than half the land in Hawai'i is in private ownership. Undeveloped private lands often provide significant benefits and services to the general public such as watersheds, erosion control, carbon sequestration, green space, recreational opportunities, and cultural preservation. However, landowners do not presently receive any remuneration for the ecosystem services their lands provide. While the public depends upon the provision of these services, society often treats them as essentially free.

For many private landowners, there is significant pressure to convert forests, ranch and agricultural lands, open spaces, and lands with historical or cultural features to uses that generate greater income to the landowner. However, such conversions often result in lost opportunity for future generations to enjoy precious land areas in the way that their parents and grandparents enjoyed them. To be attractive to landowners, conservation must be competitive with other existing or potential uses of the land – a goal that H.B. 2518 helps advance.

Like the Legacy Lands Act approved by the Legislature in 2005, H.B. 2518 can help provide opportunities and additional choices for land conservation in Hawai'i. A mix of existing government and private funding for conservation land purchases, as well tax incentives like those in H.B. 2518 can enable landowners a variety of options to suit their needs as well as help government to achieve a public benefit.

The tax incentives proposed in H.B. 2518 will be another tool like the Legacy Lands Act for government and private partners to achieve the important public policy goal of protecting and managing some of islands' treasured natural areas, agricultural lands, opens spaces, and historical sites. Indeed, tax incentives that allow landowners to retain ownership while committing to protection can help achieve public conservation priorities without requiring the government to expend many millions more to buy and manage the land itself.

Last week, in a hearing on the Senate companion measure (SB 2198), the Department of Agriculture (DOA) suggested an amendment and the Department of Taxation (DOTax) raised concerns. The Nature Conservancy supports the DOA's proposed amendment regarding important agricultural lands. We have attached a memo to the DOTax that seeks to address their concerns with suggested amendments to the bill.

Attachment

BOARD OF TRUSTEES

S. Haunani Apoliona Peter D. Baldwin Christopher J. Benjamin Zadoc W. Brown, Jr. Carl A. Carlson, Jr. David C. Cole Samuel A. Cooke
Peter H. Ehrman Kenton T. Eldridge Guy Fujimura J. Stephen Goodfellow Thomas Gottlieb James J.C. Haynes Ron Higgins Peter Ho
Stanley Hong J. Douglas Ing Mark L. Johnson Dr. Kenneth Kaneshiro Bert A. Kobayashi, Jr. Faye Watanabe Kurren Duncan MacNaughton
Bill D. Mills Wayne Minami Michael T. Pfeffer H. Monty Richards Jean E. Rolles Scott Rolles James Romig Eric Yeaman

Memorandum

To: Mark Yee, Dept. of Taxation
From: Mark Fox, The Nature Conservancy, 587-6234, mfox@tnc.org
Date: January 31, 2008
Re: SB2198/HB2518 Relating to Land Conservation

Hi Mark.

I am writing with some suggestions to possibly address the concerns you mentioned in the Tax Department's testimony this past Monday on SB2198. In particular, you mentioned that:

1. The Department of Taxation felt that fair market value was too amorphous for valuing donations for tax credit purposes and you suggested using county real property tax assessed value; and
2. The Department was concerned that it was not qualified to certify that donations met the proper criteria for conservation purposes under the bill, *e.g.*, certifying what is and isn't culturally significant.

Here are some suggestions.

1. Use Federal Standards for FMV of Land Donations

Change the language in the bill by adding the underlined language as follows:

“§235- (e) The amount of the tax credit shall be:

(1) Fifty percent of the fair market value of the land or interest in land that an eligible taxpayer donates in perpetuity on or after January 1, 2008 for a conservation purpose to the State, or public or private conservation agency. The fair market value of donations made under this section shall be substantiated by a qualified appraisal prepared by a qualified appraiser, as those terms are defined under applicable federal law and regulations governing charitable contributions;”

The IRS requires a “qualified appraisal” by a “qualified appraiser” to be attached to the tax return for the taxable year in which a taxpayer claims a deduction for a contribution of an interest in real property that exceeds \$5,000. 26 U.S.C. §170(f)(11)(E).

Definition of Qualified Appraisal and Appraiser under IRC § 170(f)(11)(E) (revised by H.R. 4):

(E) **Qualified Appraisal and Appraiser.**—For purposes of this paragraph—

(i) **Qualified Appraisal.**—The term “qualified appraisal” means, with respect to any property, an appraisal of such property which—

(I) is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary, and

(II) is conducted by a qualified appraiser in accordance with generally accepted appraisal standards and any regulations or other guidance prescribed under subclause (I).

(ii) **Qualified Appraiser.**—Except as provided in clause (iii), the term “qualified appraiser” means an individual who—

(I) has earned an appraisal designation from a recognized professional appraiser organization or has otherwise met minimum education and experience requirements set forth in regulations prescribed by the Secretary,

(II) regularly performs appraisals for which the individual receives compensation, and

(III) meets such other requirements as may be prescribed by the Secretary in regulations or other guidance.

- (iii) **Specific Appraisals.**—An individual shall not be treated as a qualified appraiser with respect to any specific appraisal unless—
- (I) the individual demonstrates verifiable education and experience in valuing the type of property subject to the appraisal, and
 - (II) the individual has not been prohibited from practicing before the Internal Revenue Service by the Secretary under section 330(c) of title 31, United States Code, at any time during the 3-year period ending on the date of the appraisal.

This section of the code was amended as part of the Pension Protection Act (2006). The Internal Revenue Service began to promulgate the regulations to apply these new provisions in Internal Revenue Bulletin: 2006-46, November 13, 2006, Notice 2006-96 Guidance Regarding Appraisal Requirements for Non-cash Charitable Contributions.

The IRS' guidance for qualified appraisers of real property specifies that the appraiser is licensed or certified for the type of property being appraised in the state in which the appraised real property is located. In addition, the appraiser must include a declaration in the appraisal that "the appraiser understands that a substantial or gross valuation misstatement resulting from an appraisal of the value of property that the appraiser knows or reasonably should have known, would be used in connection with a return or claim for refund, may subject the appraiser to civil penalty."

The benefits of incorporating the federal standards for appraisal of the fair market value into the proposed state tax credit legislation are twofold. First, it will not put additional burdens on the donors. Most, if not all taxpayers who seek to qualify for state tax credits are going to seek the federal tax deductions. Hence, they are going to hire a "qualified appraiser" to do the "qualified appraisal" anyway. Second, by employing the federal standards, Hawaii won't have to re-invent the wheel, but could adopt the federal requirements and methods. As a result, the appraisal values would be less subject to challenge and overstatement. Because the federal requirements apply penalties for overstatement of the value of donations, appraisers and donors tend to use reasonable and conservative estimates of value.

There are several "qualified appraisers" who can provide "qualified appraisals" in Hawaii such the associates at John Child & Company or The Hallstrom Group.

2. Authorize the Depts. of Land & Natural Resources and Agriculture to assist the Dept. of Taxation with certification of qualifying land donations.

As currently written, the bill authorizes both DoTax and DLNR to promulgate rules to effectuate the law. The provision could be amended to add the Department of Agriculture to this authority:

“§235- (i) The director of taxation:

- (1) Shall prepare forms necessary to claim a tax credit under this section;**
- (2) May require proof of the claim for the tax credit; and**
- (3) May adopt rules pursuant to chapter 91 to effectuate the purposes of this section.**

(j) The chairperson of the board of land and natural resources and the chairperson of the board of agriculture may adopt rules pursuant to chapter 91 to effectuate this section.”

DLNR could assist with certification of donations of natural areas, open space, cultural and historic areas. DOA could assist with certification of donations of agricultural areas. More specific language could be included to make it even clearer that DLNR and DOA will assist DOTax with certification that donated lands meet the conservation purpose of the law.



MAUI LAND & PINEAPPLE COMPANY, INC.

February 5, 2008

The Honorable Representative Ken Ito, Chair
The Honorable Representative Jon Riki Karamatsu, Vice Chair
Committee on Water, Land, Ocean Resources & Hawaiian Affairs
Hawaii State House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 312
Honolulu, Hawaii 96813

Subject: H.B. 2518 – Relating to Land Conservation

Dear Honorable Chair Ito, Honorable Vice Chair Karamatsu and Committee Members:

Maui Land & Pineapple Company, Inc. ("ML&P") strongly supports H.B. 2518 Relating to Land Conservation.

More than half of ML&P's land on West Maui is zoned conservation by the State of Hawaii. These lands are part of the West Maui Mountains Watershed Partnership and consist of important watershed lands which provide about 70% of the potable water source for the entire population of the island of Maui. Undeveloped private lands often provide significant benefits and services to the general public such as watersheds, erosion control, carbon sequestration, green space, recreational opportunities, and cultural preservation. However, landowners do not presently receive any remuneration for the ecosystem services their lands provide. While the public depends upon the provision of these services, society often treats them as essentially free.

For many private landowners, there is significant pressure to convert forests, ranch and agricultural lands, open spaces, and lands with historical or cultural features to uses that generate greater income to the landowner. However, such conversions often result in lost opportunity for future generations to enjoy precious land areas in the way that their parents and grandparents enjoyed them. To be attractive to landowners, conservation must be competitive with other existing or potential uses of the land – a goal that H.B. 2518 helps advance.

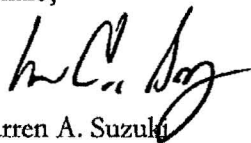
Like the Legacy Lands Act approved by the Legislature in 2005, H.B. 2518 can help provide opportunities and additional choices for land conservation in Hawaii. A mix of existing government and private funding for conservation land purchases, as well as tax incentives like those in H.B. 2518 can enable landowners a variety of options to suit their needs as well as help government to achieve a public benefit.

The Honorable Representative Ken Ito, Chair
The Honorable Representative Jon Riki Karamatsu, Vice Chair
February 5, 2008
Page - 2 -

The tax incentives proposed in H.B. 2518 will be another tool like the Legacy Lands Act for government and private partners to achieve the important public policy goal of protecting and managing some of the islands' treasured natural areas, agricultural lands, open spaces, and historical sites. Indeed, tax incentives that allow landowners to retain ownership while committing to protection can help achieve public conservation priorities without requiring the government to expend many millions more to buy and manage the land itself.

We sincerely appreciate the opportunity to provide our testimony. If you have any questions or wish to discuss our testimony, please do not hesitate to contact me at (808) 877-3882.

Mahalo,

A handwritten signature in black ink, appearing to read "Warren A. Suzuki". The signature is written in a cursive style with a large, stylized "W" and "S".

Warren A. Suzuki
Senior Vice President

From: Jeannine Johnson [mailto:jeannine@hawaii.rr.com]
Sent: Monday, February 04, 2008 7:45 PM
To: WLHtestimony
Cc: Sen. Sam Slom; Rep. Lyla B. Berg; 'Donna Wong HTF'; 'Elizabeth Reilly'
Subject: Testimony in strong support of HB2518 relating to land conservation

COMMITTEE ON WATER, LAND, OCEAN RESOURCES & HAWAIIAN AFFAIRS
Rep. Ken Ito, Chair
Rep. Jon Riki Karamatsu, Vice Chair

Re: HB 2518 RELATING TO LAND CONSERVATION
Hearing: Wednesday, February 6, 2008 @ 8:30 am in
Conference Room 312

Dear Chair Ito and Vice Chair Karamatsu,

I **strongly support** HB2518 which provides a tax credit to encourage the preservation and protection of conservation land in the State. Conservation of land in order to reduce erosion, floods, landslides, and runoff is a priority to help established communities from development on steep slopes, higher elevations, undeveloped mountain ridges and valley walls, or deeper recesses of the valleys pursuant to Section **2.2.3** of the Revised Ordinances of Honolulu. Protection of open space for scenic values and preserving historic or culturally important sites, forests, beaches, coastal areas and agricultural lands is another priority. Finally, protecting significant habitats or ecosystems, including buffer zones, as well as watershed lands, streams and rainfall infiltration areas to preserve water quality and our water supply is of the utmost importance.

Mahalo for your support of HB2518.

Jeannine

Jeannine Johnson
5648 Pia Street
Honolulu, Hawai'i 96821
Ph: 373-2874 / 523-503 (w)
Email: jeannine@hawaii.rr.com
"PUPUKAHI I HOLOMUA"
(Unite in Order to Progress)