

STAND. COM. REP. NO. 1456

Honolulu, Hawaii

April 3, 2009

RE: S.B. No. 1677
S.D. 1
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1677, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LANDS CONTROLLED BY THE STATE,"

begs leave to report as follows:

The purpose of this bill is to establish legislative oversight of sales and exchanges of land held by the State by:

- (1) Requiring an informational briefing in the community where the land to be sold or exchanged is located prior to finalizing a proposal for the sale or exchange; and
- (2) Making proposed sales or exchanges of State-held lands subject to legislative disapproval by a two-thirds majority vote of either the Senate or the House of Representatives or a majority vote of both houses of the Legislature.

The Hawaii Government Employees Association and several concerned individuals supported this bill. The Department of the Attorney General, Hawaii Housing Finance and Development Corporation, Department of Land and Natural Resources, Office of Hawaiian Affairs, Malama Kauai, Legislative Committee of the Royal Order of Kamehameha I, and several concerned individuals offered comments.

SB1677 HD2 HSCR FIN HMS 2009-3544



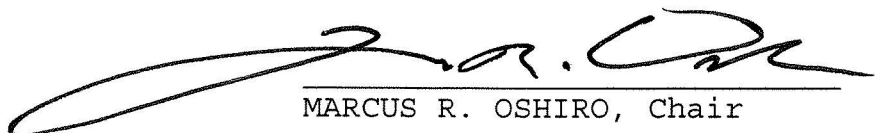
Your Committee has amended this bill by:

- (1) Making the sale or exchange of State-held land subject only to the disapproval of a majority vote of both houses of the Legislature, rather than also allowing a two-thirds majority of either the House of Representatives or Senate to disapprove a sale or exchange;
- (2) Requiring that a concurrent resolution to review the sale or exchange of State-held lands be submitted to the Legislature 20 days prior to the start of any regular or special session; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes the concern raised by your Committees on Water, Land, Ocean Resources and Judiciary that the broad scope of the oversight in this bill may cause difficulties for some State agencies and entities currently negotiating exchange and sale transactions, such as the University of Hawaii in its negotiations for the West Oahu campus. Your Committee hopes the conferees can discuss and address these issues when this bill comes before the conference committee.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1677, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1677, S.D. 1, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



