

H.B. NO. 1145

A BILL FOR AN ACT

RELATING TO REMNANT LANDS.

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

1 SECTION 1. Section 171-52, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:
3 "(c) Disposition. Remnants or portions thereof may be
4 disposed of by the board of land and natural resources without
5 recourse to public auction in the manner set forth herein. Any
6 remnant or portion thereof to be disposed of shall be first
7 offered for sale to the abutting owner for a reasonable period
8 of time at a reasonable price based on appraised value. In the
9 event that one abutting landowner lacks access to a street, and
10 such access can be secured by disposition of the remnant, such
11 remnant shall be first offered for sale to such abutting owner,
12 or subdivided so as to protect the access of all abutting
13 landowners. If there is more than one abutting owner who is
14 interested in purchasing the remnant, it shall be sold to the
15 one submitting a sealed bid containing the highest offer above
16 the appraised value. If the remnant abuts more than one parcel,
17 the board may subdivide the remnant so that a portion thereof
18 may be sold to each abutting owner at the appraised value [+

1 ~~provided that no remnant shall be sold to any abutting owner~~
2 ~~unless the remnant, when combined or consolidated with the~~
3 ~~abutting property, shall constitute a lot acceptable to the~~
4 ~~appropriate agency of the county in which the remnant lies; and~~
5 ~~provided further that appropriate language shall be included in~~
6 ~~any document of conveyance of such remnant to assure use of the~~
7 ~~remnant in accordance with the applicable ordinances, rules, and~~
8 ~~regulations of the county concerned]. "~~

9 SECTION 2. Section 173A-5, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) Any net proceeds or revenue from the operation,
12 management, sale, lease, or other disposition of land or the
13 improvements on the land acquired or constructed by the board
14 under the provisions of this chapter, and any net proceeds,
15 including interest on deferred payments, from the sale of land
16 pursuant to section 171-52(c), shall also be deposited in or
17 credited to the fund."

18 SECTION 3. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

H.B. NO. 1145

1 SECTION 4. This Act shall take effect upon its approval.

2

3

INTRODUCED BY:

Calvin K. Day

4

BY REQUEST

JAN 26 2009

Report Title:

Public Lands; Remnants

Description:

Repeals the consolidation and use requirements for the sale of a state land remnant, and requires the proceeds from the sale of a state land remnant to be deposited into the Land Conservation Fund.

HB 1145

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO REMNANT LANDS.

PURPOSE: To repeal the requirement that no remnant shall be sold by the State to any abutting owner unless the remnant, when combined or consolidated with the abutting property, shall constitute a lot acceptable to the appropriate agency of the county; and to authorize the proceeds from sales of remnants to be deposited into the Department's Land Conservation Fund.

MEANS: Amend sections 171-52(c) and 173A-5(c), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The purpose of section 171-52, HRS, is to allow the Department to dispose of unusable remnants. The Department has experienced many situations in which the requirement that no remnant shall be sold by the State to any abutting owner unless the remnant, when combined or consolidated with the abutting property, shall constitute a lot acceptable to the appropriate agency of the county, prevents the conveyance of remnants and/or places an undue burden on the abutting landowner's acquisition of the remnant. In many instances, the counties seek to impose additional requirements on the abutting owner to address surrounding land issues or infrastructure requirements that have no relevance to the conveyance of the remnant, especially when the abutting owner's only intention is to landscape and maintain the adjacent remnant.

This bill would repeal the requirement that no remnant shall be sold by the State to any abutting owner unless the remnant, when combined or consolidated with the abutting property, shall constitute a lot acceptable to the appropriate agency of the county.

This bill also requires the proceeds from the sale of remnants to be deposited into the Land Conservation Fund to support the Department's Legacy Lands Program. The declining economy has resulted in a decrease in property transactions and a resulting reduction in conveyance tax revenues that constitute of primary funding source for the program. The State must ensure that mission of the Legacy Land Program to maximize the acquisition and preservation of important resource lands continues.

Impact on the public: Would allow the abutting owner quicker acquisition of the remnant lands that may enhance their property.

Impact on the department and other agencies: Would provide more opportunities for the Department to dispose of remnant lands, deemed economically unfeasible and support the Legacy Lands Program.

GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	LNR 101.
OTHER AFFECTED AGENCIES:	None.
EFFECTIVE DATE:	Upon approval.