

Honolulu, Hawaii

FEB 4, 2010

RE: H.B. No. 1965
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, &
Military Affairs, to which was referred H.B. No. 1965 entitled:

"A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION,"

begs leave to report as follows:

The purpose of this bill is to protect purchasers of undeveloped land as well as historic sites on that land by requiring that prior to the sale or long-term lease of undeveloped property:

- (1) An archaeological inventory survey must be performed and accepted by the State Historic Preservation Officer; and
- (2) Notice of any sites that are eligible for the Hawaii Registry of Historic Places and found on the property must be filed with the Bureau of Conveyances.

The Society for Hawaiian Archaeology supported this bill. The Department of Land and Natural Resources, and Hawai'i Association of REALTORS opposed this measure. Historic Hawai'i Foundation provided comments.

Currently, there is no mechanism to give potential purchasers of undeveloped land notice of any historic property on the site that may prevent them from using or developing the land. Thus, property purchased for development could potentially become useless for that purpose. This negatively affects investors'



willingness to participate in developments located in Hawaii, and is an issue of particular concern during this economic downturn.

Although the bill establishes procedures to resolve the problem, there are questions as to whether these procedures would be cost prohibitive for small landowners. There must be a discussion of alternatives to a professional archaeologist, and of other ways to minimize costs. Your Committee believes that the best solutions to this problem will be developed if the Kupuna Council, State Historic Preservation Division, and Hawai'i Association of REALTORS work cooperatively. Your Committee respectfully requests the Committee on Water, Land, and Ocean Resources to which this measure is next referred, to facilitate the development of a solution to these issues.

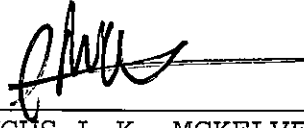
Your Committee finds that given our economy, any increase in funding for the activities of the State Historic Preservation Division is unlikely. Accordingly, your Committee has amended this bill by:

- (1) Providing that the archaeological inventory survey is to be received, instead of "accepted" by the State Historic Preservation Officer;
- (2) Changing the effective date of the bill to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1965, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1965, H.D. 1, and be referred to the Committee on Water, Land, & Ocean Resources.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization, Business, &
Military Affairs,



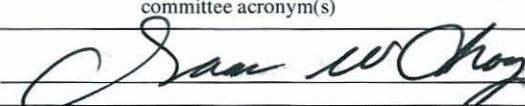
ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 99-10

Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: HB 1965	Committee Referral: EBM, WLO, J40	Date: Jan. 26, 2010		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. BERG, Lyla B.				✓
4. EVANS, Cindy	✓			
5. MANAHAN, Joey	✓			
6. TAKAI, K. Mark		✓		
7. TOKIOKA, James Kunane				✓
8. TSUJI, Clift	✓			
9. WAKAI, Glenn	✓			
10. WOOLEY, Jessica	✓			
11. WARD, Gene				✓
TOTAL (11)	7	1		3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				