

Honolulu, Hawaii

Feb 11, 2010

RE: H.B. No. 2561

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

Sir:

Your Committee on Water, Land, & Ocean Resources, to which was referred H.B. No. 2561 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 enable the timely and efficient sale and gift of state-owned lands by limiting legislative oversight on these transactions to ceded lands only.

The Department of Land and Natural Resources, Attorney General, Department of Agriculture, Office of Hawaiian Affairs (OHA), University of Hawaii System, Hawaii Public Housing Authority, Building Industry Association-Hawaii, and The Chamber of Commerce of Hawaii testified in support of this bill.

Your Committee notes that Act 176, Session Laws of Hawaii 2009, was enacted in the wake of the United States Supreme Court's decision in *Hawaii v. Office of Hawaiian Affairs*, 129 S. Ct. 1436 (2009) to allow the Legislature to oversee the fee simple transfers of most of the land owned by the State or its agencies, and to exercise that function with knowledge and information provided by both the public and the state departments and agencies selling or giving land to others.



That Act, however, has extended the time State departments and agencies, like the Hawaii Housing Finance and Development Corporation (HFDC), have had to spend performing their statutorily assigned responsibilities. For example, HFDC administers the State's affordable housing and lease-to-fee conversion programs, and land sales are a key aspect of both programs. Additionally, Act 176 has extended the time required to complete capital improvement projects that require land dedications to satisfy federal funding requirements or participate in joint ventures with the counties or private developers.

Your Committee finds, therefore, that passage of this bill will reduce the operational difficulties that many of the state departments and agencies that are required to sell or convey non-ceded lands to others in fee simple have encountered since Act 176 was enacted, without diminishing the purpose for which it was enacted, or affecting ceded lands.

As affirmed by the record of votes of the members of your Committee on Water, Land, & Ocean Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2561 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land, &
Ocean Resources,



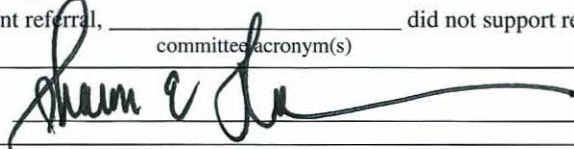
KEN ITO, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 273-10

Record of Votes of the Committee on Water, Land, & Ocean Resources

Bill/Resolution No.: HB 2561	Committee Referral: WLO, FIN	Date: 2/5/10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
WLO Members	Ayes	Ayes (WR)	Nays	Excused
1. ITO, Ken (C)	✓			
2. HAR, Sharon E. (VC)	✓			
3. CABANILLA, Rida				✓
4. CHANG, Jerry L.				✓
5. CHONG, Pono				✓
6. COFFMAN, Denny	✓			
7. HERKES, Robert N.	✓			
8. LEE, Chris	✓			
9. LUKE, Sylvia	✓			
10. MORITA, Hermina M.	✓			
11. SAGUM, Roland D., III	✓			
12. CHING, Corinne W.L.	✓			
13. THIELEN, Cynthia	✓			
TOTAL (13)	10			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committed acronym(s)				
Vice Chair's or designee's signature: 				
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