

STAND. COM. REP. NO.

2183

Honolulu, Hawaii

FEB 11 2010

RE: S.B. No. 2525
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 2525 entitled:

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

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Hawaiian Home Lands and the Board of Land and Natural Resources to transfer title in fee simple to lessees of homestead lands.

Testimony in support of the measure was submitted by one individual. Two state agencies and one organization submitted comments. Testimony in opposition was submitted by one state agency, two organizations, and two individuals. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Hawaiian homestead leases, issued by the Department of Hawaiian Home Lands, last for ninety-nine years, however, the lessees cannot collateralize the land to build needed infrastructure for farming or homes to live in. Thousands of native Hawaiians are on the waiting list for homestead lands, and are waiting for the federal government to act. Your Committee finds that this measure needs to move forward to help native Hawaiians provide a way to secure a brighter future today, and fulfill the purposes of the Hawaiian Homes Commission Act. The measure includes provisions to protect the land trust, so that native Hawaiians can acquire the land in fee simple, collateralize

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the property for needed projects, and sell the land back to the Department of Hawaiian Home Lands. Thereafter, the Department of Hawaiian Home Lands can lease or convey the land to another qualified beneficiary.

Your Committee has amended this measure by conforming the measure to the Attorney General's comments to clarify that the "right of first refusal" means that the Department of Hawaiian Home Lands has the right to reacquire fee simple title to the land.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2525, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2525, S.D. 1, and be referred to the Committee on Education and Housing.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land,
Agriculture, and Hawaiian
Affairs,



CLAYTON HEE, Chair



