

STAND. COM. REP. NO. 1037

Honolulu, Hawaii

March 22, 2011

RE: S.B. No. 1555  
S.D. 2  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Water, Land, & Ocean Resources, to which was referred S.B. No. 1555, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES,"

begs leave to report as follows:

The purpose of this bill is to optimize and maximize use of Hawaii's public lands by:

- (1) Establishing a Public Land Development Corporation (Corporation) to administer an appropriate and culturally-sensitive public-land development program; and
- (2) Providing for the rehabilitation of Ala Wai Small Boat Harbor by, among other things:
  - (A) Allowing the limited issuance of commercial use permits for vessels with assigned moorings in the Ala Wai and Keehi boat harbors;
  - (B) Allowing future moorage fees to be established by appraisal by a State-licensed appraiser approved by the Department of Land and Natural Resources (DLNR); and



- (C) Directing DLNR to use the request-for-proposals process for the public-private development, management, and operation of areas of Ala Wai Boat Harbor.

A concerned individual supported this bill. Shell Owners Association, Hawaii; Shuto Sales & Management, LLC; and numerous concerned individuals opposed this measure. DLNR, Department of Budget and Finance, Ocean Tourism Coalition, Association of Apartment Owners of the Ilikai, and two concerned individuals offered comments.

After careful consideration, your Committee has amended this bill by, among other things:

- (1) Changing the organization and structure of the Corporation;
- (2) Not requiring the Corporation to include as part of the Hawaii Public Land Optimization Plan strategies to ensure the provision of adequate air and surface transportation services and supporting facilities to assist the visitor industry in meeting the needs of local, national, and international markets;
- (3) Not authorizing the Corporation to exercise its powers through one or more subsidiary corporations;
- (4) Not requiring all public lands optimization projects, public land development plans, and project facility programs developed by the Corporation to be approved by the Board of Land and Natural Resources prior to implementation;
- (5) Renaming "special funds" as "subaccounts";
- (6) Deleting the provision that would have allowed other public agencies to lease, upon request by the Corporation and with the approval of the Governor, state lands under their control and management, if such lands are needed by the Corporation;
- (7) Exempting the Corporation from compliance with otherwise applicable county zoning, subdivision, and permitting requirements;



- (8) Not authorizing the Corporation to acquire non-public lands;
- (9) Appropriating general funds for:
  - (A) The establishment and operation of the Corporation; and
  - (B) Two staff positions: a planner and project development specialist;
- (10) Adding ocean recreation as a permissible use for any lease of state boating facilities;
- (11) Lengthening the maximum term of lease of state boating facilities from 55 to 65 years; and
- (12) Making technical, nonsubstantive amendments for clarity, consistency, and style.

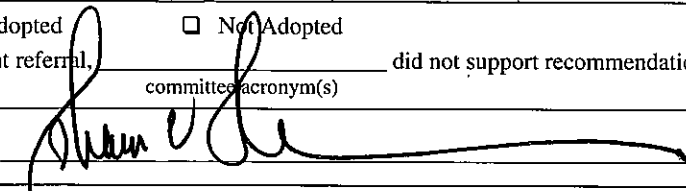
As affirmed by the record of votes of the members of your Committee on Water, Land, & Ocean Resources that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1555, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1555, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

  
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JERRY L. CHANG, Chair



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

Bill/Resolution No.: OB 1555, SD2	Committee Referral: WLO, FIN	Date: 3/18/11		
<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)				
WLO Members	Ayes	Ayes (WR)	Nays	Excused
1. CHANG, Jerry L. (C)	✓			
2. HAR, Sharon E. (VC)	✓			
3. CABANILLA, Rida T.R.	✓			
4. CARROLL, Mele				✓
5. CHONG, Pono				✓
6. COFFMAN, Denny	✓			
7. HERKES, Robert N.	✓			
8. ITO, Ken	✓			
9. <del>MORITA, Herminia M.</del>				
10. NAKASHIMA, Mark M.	✓			
11. RIVIERE, Gil	✓			
12. THIELEN, Cynthia	✓			
TOTAL (12) (11)	9			2
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				