



1 bequest, or intestate succession and with the prior approval of  
2 the board of land and natural resources; provided that transfer  
3 or assignment by conveyance, devise, or bequest shall be limited  
4 to a member or members of the occupier's or lessee's family[-]  
5 or in the case of a homestead lease, to any person or persons  
6 designated as a trustee of a land trust.

7 For the purposes of this section[~~7~~-"family"]:

8 "Family" means the spouse, civil union partner, reciprocal  
9 beneficiary, children, parents, siblings, grandparents,  
10 grandchildren, nieces, nephews, a parent's siblings, children of  
11 a parent's siblings, and grandchildren of a parent's siblings,  
12 of the occupier or lessee.

13 "Land trust" means a trust created for the purposes of  
14 managing and holding the homestead leasehold estate for the  
15 benefit of the lessee and lessee's family members. The lessee  
16 may be the trustee of the trust.

17 All the successors shall be subject to the performance of  
18 the unperformed conditions of the certificate of occupation or  
19 the homestead lease."

20 **PART II**

21 SECTION 3. The legislature has been seeking the  
22 establishment of a computerized, comprehensive inventory of



1 public land trust lands for more than a decade. Act 125,  
2 Session Laws of Hawaii 2000, required the auditor to initiate  
3 and coordinate all efforts to establish an inventory of public  
4 land trust lands. Unfortunately, for numerous reasons, no such  
5 inventory currently exists.

6 Having an accurate inventory of public land trust lands and  
7 their disposition is crucial to the successful management of the  
8 public land trust lands described in section 5(f) of the  
9 Admission Act and article XII, section 4 of the Hawaii State  
10 Constitution. This is critical to fulfilling the State's trust  
11 obligation in regards to the land and the office of Hawaiian  
12 affairs, as representative of native Hawaiian beneficiaries'  
13 right to receive twenty per cent of the income and proceeds from  
14 the public land trust.

15 The current lack of an accurate inventory of public land  
16 trust lands threatens the successful implementation of  
17 legislation proposed during the 2011 regular session. For  
18 instance, the establishment of a public school lands trust and  
19 the exchange of lands held by the department of land and natural  
20 resources at Sand Island, respectively, will be hindered unless  
21 there is an accurate inventory of public land trust lands. The  
22 department of land and natural resources must complete an



1 inventory of public land trust lands for our State to move  
2 forward.

3       The Hawaii supreme court has repeatedly held that the  
4 legislature has a constitutional obligation to clarify the  
5 amount of revenues derived from the public land trust that  
6 should be annually transferred to the office of Hawaiian affairs  
7 for the benefit of native Hawaiians. Delayed for years, work on  
8 a comprehensive and accurate inventory must begin immediately to  
9 ensure that the State meets its fiduciary responsibilities as  
10 the trustee of the public land trust pursuant to section 5(f) of  
11 the Admission Act.

12       The department of land and natural resources has already  
13 collected a substantial amount of information about lands that  
14 are in the public land trust. The focus of this measure is the  
15 further study or review of the trust status of those lands to  
16 which state agencies hold title and the disposition of those  
17 lands, to verify the accuracy of or make amendments to their  
18 trust status as indicated in the department's existing inventory  
19 of public land trust lands.

20       The purpose of this part is to facilitate the establishment  
21 of a comprehensive information system for inventorying and  
22 maintaining information about the lands of the public land trust



1 described in section 5(f) of the Admission Act and article XII,  
2 section 4 of the Hawaii State Constitution.

3 SECTION 4. (a) For purposes of this part:

4 "Ceded lands" means those lands ceded to the United States  
5 by the Republic of Hawaii under the joint resolution of  
6 annexation approved on July 7, 1898.

7 "Department" means the department of land and natural  
8 resources unless the context clearly indicates otherwise.

9 "Public land trust" means that public land trust  
10 established in section 5(f) of the Admission Act.

11 (b) The department shall initiate and coordinate all  
12 efforts to establish a public land trust information system.  
13 The information system shall consist of a complete and accurate  
14 inventory of all lands in the public land trust to which state  
15 agencies hold title or over which they maintain management  
16 control.

17 (c) Beginning July 1, 2011, the department shall identify  
18 all of the lands that are to be included in the inventory of  
19 public land trust lands. After interviewing representatives of  
20 each of the four counties of the city and county of Honolulu,  
21 Kauai, Maui, and Hawaii, and conducting discussions with the  
22 office of Hawaiian affairs, the department of Hawaiian home



1 lands, the department of transportation, the attorney general,  
2 the director of finance, and other state agencies holding title  
3 to public land trust lands or to which public land trust lands  
4 have been set aside, the department shall also determine what  
5 other information would be useful to include in the inventory.  
6 At minimum, the department shall determine whether the following  
7 kinds of information about each parcel of land in the operating  
8 inventory would be useful:

- 9 (1) The parcel's identification description by metes and  
10 bounds, land court registration information, tax map  
11 key number, or a combination of these methods;
- 12 (2) The parcel's size rounded to the nearest acre;
- 13 (3) The date the parcel was acquired;
- 14 (4) If conveyed out of the public land trust, the date the  
15 parcel was conveyed;
- 16 (5) Whether the parcel was acquired by the State pursuant  
17 to section 5(b) or 5(e) of the Admission Act or Public  
18 Law 88-233, or in exchange for a parcel of land  
19 acquired by the State pursuant to those laws;
- 20 (6) Whether the parcel is a subdivided portion of a larger  
21 parcel acquired by the State pursuant to section 5(b)  
22 or 5(e) of the Admission Act or Public Law 88-233, or



- 1 in exchange for a parcel of land acquired by the State  
2 pursuant to those laws;
- 3 (7) Whether the parcel or any portion of the parcel is  
4 ceded land, and the extent to which the parcel  
5 consists of ceded land;
- 6 (8) The name of the state or county agency holding title  
7 to the parcel;
- 8 (9) Whether the parcel has been set aside and the name of  
9 the state or county agency to which the parcel has  
10 been set aside;
- 11 (10) The parcel's current state land use district  
12 designation; state land classifications pursuant to  
13 section 171-10, Hawaii Revised Statutes; and county  
14 zoning designations;
- 15 (11) A description of all natural resources, including  
16 minerals and water, found on or appurtenant to the  
17 parcel;
- 18 (12) A description of every easement, covenant, regulatory  
19 condition, or other benefit or servitude to which the  
20 parcel is entitled or subject; and
- 21 (13) A description of all leases, uses, or other  
22 dispositions to which the parcel has been put.



- 1 (d) The department shall also conduct an investigation  
2 into the most appropriate information system to establish and  
3 maintain the inventory of public land trust lands, including:
- 4 (1) The type of hardware and software appropriate for  
5 storing and maintaining the information system;
  - 6 (2) Whether the information system should be established  
7 as a geographic information system;
  - 8 (3) The tasks needing to be performed to complete and  
9 establish the information system;
  - 10 (4) The sequence in which the tasks needing to be  
11 performed should be completed;
  - 12 (5) Whether and to what extent state and county agencies  
13 holding title to public land trust lands or to which  
14 public land trust lands have been set aside should  
15 continue maintaining separate inventories of the  
16 public land trust lands;
  - 17 (6) Whether a single agency should be responsible for  
18 maintaining the information system;
  - 19 (7) To which agency the responsibility should be delegated  
20 if a single agency concept is chosen; and
  - 21 (8) The extent to which other agencies should be required  
22 to cooperate and assist in that effort.





1 (e) The department shall identify existing sources of  
2 data, information, and resources that can be incorporated into  
3 or used to establish the inventory of public land trust lands  
4 and public land trust information system, including existing  
5 inventories of the ceded lands and the public land trust lands  
6 established or maintained by the federal government, the office  
7 of Hawaiian affairs, the department of Hawaiian home lands, the  
8 University of Hawaii, the department of transportation, the  
9 Hawaii housing finance and development corporation, other state  
10 agencies, the counties, or private entities.

11 (f) The department shall:

12 (1) Estimate the total cost of establishing the public  
13 land trust information system;

14 (2) Identify possible sources of funding to defray that  
15 cost; and

16 (3) Identify the factors to be considered in prioritizing  
17 the expenditures to be made in each fiscal year,  
18 if an incremental or phased implementation process is used to  
19 complete the system.

20 SECTION 5. All state and county agencies shall assist the  
21 department in facilitating the establishment of the public land  
22 trust information system and shall comply with any and all



1 requests the department may make for any information and  
2 services pertinent to the completion of the information system.

3 SECTION 6. All state agencies shall report to the  
4 department by:

- 5 (1) August 1, 2011, each and every parcel of land, or  
6 portion of a parcel of land, to which the reporting  
7 agency holds title or that has been set aside to the  
8 reporting agency, regardless of whether the land is  
9 within the public land trust, is ceded land, or both;
- 10 (2) August 1, 2011, on the disposition or transfer of any  
11 parcel of land, or portion of a parcel of land, to  
12 which the agency holds title, and provide documents  
13 pertinent to that disposition or transfer; and
- 14 (3) January 1, 2012, any inaccuracy discovered in the  
15 information provided to the department pursuant to  
16 paragraph (1) or (2) and include:
- 17 (A) A description of how the inaccuracy will be  
18 corrected; and
- 19 (B) Copies of all documents related to the correction  
20 of those inaccuracies.

21 SECTION 7. (a) The department shall submit a progress  
22 report to the legislature no later than twenty days prior to the



1 convening of the regular sessions of 2012 and 2013. The  
2 progress report shall:

3 (1) Indicate what is necessary to complete the inventory  
4 of public land trust lands and the public land trust  
5 information system; and

6 (2) Include any proposed legislation that the department  
7 deems necessary to facilitate the expeditious  
8 completion and support of the inventory and  
9 information system.

10 (b) The inventory and information system shall be  
11 completed and operational by December 31, 2013, unless the  
12 department advises the legislature otherwise in a progress  
13 report.

14 SECTION 8. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$ or so  
16 much thereof as may be necessary for fiscal year 2011-2012 and  
17 the same sum or so much thereof as may be necessary for fiscal  
18 year 2012-2013 for the establishment and maintenance of a  
19 computerized, comprehensive statewide inventory of public land  
20 trust lands and public land trust information system and funding  
21 for one staff position for a database and application developer;  
22 provided that no funds appropriated shall be expended unless



1 matched on a dollar-for-dollar basis by the office of Hawaiian  
2 affairs and paid to the department of land and natural  
3 resources.

4 The sums appropriated shall be expended by the department  
5 of land and natural resources for the purposes of this part.

6 **PART III**

7 SECTION 9. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9 SECTION 10. This Act shall take effect upon its approval.

10



**Report Title:**

Public Land Trust Lands; 999-Year Homestead Lease; Assignment;  
Public Land Trust; Information System; DLNR; Appropriation

**Description:**

Part I allows 999-year homestead leases to be assigned to land trusts that are created for managing and holding the homestead leasehold estate for the benefit of the lessee and lessee's family members; part II requires the department of land and natural resources to initiate and coordinate all efforts to establish an information system for maintaining an inventory of public land trust lands; requires all state agencies to report certain information to the department; requires the department to submit a progress report to the legislature; appropriates funds for a comprehensive statewide inventory of public land trust lands and information system funding for one staff position for a database and application developer. (SD2)

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