

McCully Works
40 Kamehameha Ave.
Hilo, Hi. 96720

February 8, 2011

IN SUPPORT – HB996 Relating to State Land Leases

Committee on Water, Land, and Oceans
Chairman Jerry L. Chang, 2nd District
Vice-Chair Sharon Har, 40th District
Members of Committee

I was present at the hearing on this Bill on Feb 7, 2011. I offered verbal testimony and Chairman Chang requested that I submit written testimony as well.

I support this Bill since it addresses a critical need that all State Lessee's share, and the Lessee's affected by disasters have specific statutes, HRS 171-87 that particularly control their leases. This need is for clarity in the allowable extensions under current statute to be approved by the Board.

Currently the law is ambiguous and lacking correlation between sections, in particular HRS171-36 (a) 2 which states that the current maximum term of a state lease is 65 years, and goes on to state, "*provided that the aggregate of the initial term and extension shall in no event exceed seventy-five years*". This is contradicted by HRS171-36 (b) 3. *Extend the term of the lease (2) The aggregate of the initial term and any extension granted shall not be for more than fifty-five years*"

Please consider the interests of all State lessee's, especially those that have been affected by disasters and allow for reasonable and statutory extensions so that they may have full utility of their investments and improvements on their state lease land.

Aloha,

James McCully

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