

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committees on
WATER & LAND
and
OCEAN, MARINE RESOURCES & HAWAIIAN AFFAIRS**

**Friday, February 1, 2013
8:00AM
State Capitol, Conference Room 325**

**In consideration of
HOUSE BILL 583
RELATING TO GOVERNMENT**

House Bill 583 proposes to direct the Department of Land and Natural Resources ("Department") to expand the scope of the comprehensive information system established pursuant to Act 54, Session Laws of Hawaii 2011, to inventory and maintain the information about the lands of the public trust described in Section 5(f) of the Admission Act and Article XII, Section 4, of the Hawaii State Constitution, to further include public facilities, thereby creating a comprehensive asset management system for state buildings on all state lands, regardless of which department or agency has management control over the state building. The Department supports the underlying intent of this bill but notes that it is well outside of the scope of Act 54 and the Department's mission and function. The measure might be better suited for those agencies and departments that have actual and direct management and maintenance responsibilities over state buildings.

Under the Public Lands law, Chapter 171, Hawaii Revised Statutes, once the Board of Land and Natural Resources (BLNR) approves the set-aside of public lands to a state or county agency and the Governor signs the executive order effecting the transfer, that agency assumes the management and control of the land, and is responsible for complying with the environmental assessment laws, building codes and other land use controls applicable to the agency's development and use of the land. The agency is not required to submit building plans to the BLNR for review and approval, and the Department does not track (and does not have the resources to track) the various public facilities constructed on the land.

Furthermore, the Department has already contracted with a vendor to develop the land inventory as mandated by Act 54, and the vendor is working on the development of the comprehensive Public Land Trust Information System. Any change to the scope of Act 54 will likely require an extension of the contract and the time for the delivery of the inventory product, additional

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funding, and at a minimum a contract renegotiation with the existing vendor or the termination of the existing contract so that the job can be re-bid with the broader scope envisioned by this bill.

Although a comprehensive asset management system for state buildings and structures may be useful for agencies that are managing and maintaining state buildings, such system or role would be outside the scope of the Department's primary mission and function. The Department's focus is land and natural resources and the Department wishes to continue with this focus in these times of limited human and financial resources. The management and maintenance of state buildings is generally under the management and maintenance jurisdiction of other agencies such as the Department of Accounting and General Services, the University of Hawaii, the Hawaii Tourism Authority, the Natural Energy Laboratory of Hawaii Authority, the Department of Transportation-Airports, the High Technology Development Corporation, the Hawaii Community Development Authority, the Department of Education, etc., as examples.¹ Perhaps this measure would be better directed at those agencies that have actual and direct management and maintenance authority and responsibility over state buildings and structures; such agencies may find an asset based management system a useful tool in planning capital improvement and repair and maintenance projects.

¹ The Department in the past explored the possibility of an asset based management system for the Division of State Parks. The Department consulted with the City and County of Honolulu Parks Department, a federal agency and others and learned that the costs to develop such a system would take several years of planning and design, implementation, and cost in the multiple million dollar range. The City also shared its experience with the time and complexity of obtaining employee buy-in into the new system, and union issues.