

Honolulu, Hawaii

MAR 22 2013

RE: H.B. No. 1424

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Water and Land, to which was referred H.B. No. 1424 entitled:

"A BILL FOR AN ACT RELATING TO THE ACQUISITION OF RESOURCE VALUE LANDS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the Department of Land and Natural Resources, in consultation with the Hawaiian Islands Land Trust, to engage in efforts to acquire the parcel of land located at Lipoa Point.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Save Honolua Coalition, The Strategy Group Inc., Hawaiian Islands Land Trust, ILWU, Aha Moku-Kaanapali, and numerous individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Lipoa Point-Honolua on the island of Maui is one of the most iconic landmarks in Hawaii. Honolua is rich in marine resources and historical and archaeological sites and is one of the most popular recreational areas for locals and tourists alike, offering some of the best snorkeling and surfing conditions on the island of Maui. Nationally recognized as a marine preserve, it has attracted federal funding and programs for having some of the highest fish assemblage characteristics of all



the Hawaiian islands. Additionally, Honolulu is considered to have one of the most diverse, unique, and abundant reef formations, providing a habitat for rare coral species.

According to testimony of the Department of Land and Natural Resources, Maui Land and Pineapple Company, Inc., is a willing seller, and the Hawaiian Islands Land Trust is hiring an appraiser to provide a letter of appraisal and eventually a full appraisal of the subject property. Hawaiian Islands Land Trust intends to apply for state grant funding for the due diligence process. The Department is continuing discussions with the Hawaiian Islands Land Trust regarding the acquisition of the subject property, subject to approval of the Board of Land and Natural Resources and Attorney General in accordance with sections 171-30 and 107-10, Hawaii Revised Statutes, respectively.

Your Committee has amended this measure by:

- (1) Inserting language to require the Department of Land and Natural Resources to ensure to the maximum extent possible that the seller of the land uses the proceeds of the sale to benefit the pension plan of retirees of the Maui Land and Pineapple Company, Inc.; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1424, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1424, S.D. 1, and be referred to the Committee on Ways and Means.

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


MALAMA SOLOMON, Chair



