

STAND. COM. REP. NO. **664**

Honolulu, Hawaii
February 28, 2013

RE: H.B. No. 488
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 488, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO APPRAISALS,"

begs leave to report as follows:

The purpose of this bill is to revise the statutory appraisal process to stabilize lease rents for agricultural and aquacultural public lands by, among other things:

- (1) Providing that the valuation of public agricultural or aquacultural land be based on the land's use for agriculture or aquaculture without regard to any value that the land might have for other purposes or uses, or to neighboring land uses;
- (2) Requiring that in certain specified situations, the cost of an appraisal be borne by the Department of Land and Natural Resources if it is greater than one year's existing rent; and
- (3) Specifying factors that must be considered when determining the fair market value and best use for agricultural and aquacultural lands.

The Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Local Food Coalition; Hawaii Aquaculture and Aquaponics Association; Ulupono Initiative; and one concerned

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individual testified in support of this measure. The Department of Land and Natural Resources opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 488, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



