

JAN 23 2015

A BILL FOR AN ACT

RELATING TO THE KAHO'OLAWE ISLAND RESERVE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature has historically found that the
2 island of Kaho'olawe has significant cultural and historical
3 importance to the native people of Hawaii. The Kaho'olawe island
4 reserve commission was established to effectively address the
5 unique challenges of preserving, restoring, and determining the
6 appropriate use of Kaho'olawe.

7 The Kaho'olawe island reserve commission is primarily funded
8 by the Kaho'olawe rehabilitation trust fund that was created
9 during the federal cleanup of unexploded ordnance on Kaho'olawe.
10 The federal appropriation of approximately \$44,000,000 over a
11 seven year period, while considerable, was insufficient to
12 establish a sustainable endowment for the long term operation of
13 the Kaho'olawe island reserve commission's operations. In a 1993
14 report to congress, it was envisioned that in the long term, the
15 State would provide the funding to continue and enhance the
16 activities initiated by federal funding.



1 In 2004, the management and control of Kaho'olawe was
2 transferred from the Navy to the State. The Kaho'olawe island
3 reserve commission was designated as the state agency
4 responsible for the use and restoration of Kaho'olawe.

5 A 2013 report by the office of the auditor found that the
6 Kaho'olawe rehabilitation trust fund will be depleted by 2016.
7 The Kaho'olawe island restoration commission held numerous
8 meetings and working groups on all islands that resulted in the
9 issuance of a community based strategic plan for Kaho'olawe
10 entitled "I Ola Kanaloa".

11 The legislature finds that there is a need to preserve and
12 restore the State's natural resources to balance against the
13 pressure to urbanize the State's lands.

14 It is important to preserve the remote and intact Kaho'olawe
15 ecosystem to provide a means of recovery should the ecosystems
16 of the other main Hawaiian islands collapse. The programs of
17 the Kaho'olawe island reserve commission serve to ensure,
18 protect, and restore the rich natural biodiversity and biomass
19 of Kaho'olawe, which in the future may be key to the State's
20 wellbeing and survival.



1 The legislature finds that without additional funding, the
 2 Kaho'olawe island reserve commission will not be able to continue
 3 its efforts beyond fiscal year 2015. The purpose of this Act is
 4 to provide a portion of the state conveyance tax to replenish
 5 the Kaho'olawe rehabilitation trust fund.

6 SECTION 2. Section 6K-9.5, Hawaii Revised Statutes, is
 7 amended by amending subsection (a) to read as follows:

8 "(a) There is created in the state treasury a trust fund
 9 to be designated as the Kaho'olawe rehabilitation trust fund to
 10 be administered by the department with the prior approval of the
 11 commission. Subject to Public Law 103-139[7] and this chapter:

12 (1) All moneys received from the federal government for
 13 the rehabilitation and environmental restoration of
 14 the island of Kaho'olawe or other purposes consistent
 15 with this chapter;

16 (2) A portion of the conveyance tax under section 247-7;

17 ~~[(2)]~~ (3) Any moneys appropriated by the legislature to the
 18 trust fund;

19 ~~[(3)]~~ (4) Any moneys received from grants, donations, or
 20 the proceeds from contributions; and



1 [~~4~~] (5) The interest or return on investments earned from
 2 moneys in the trust fund,
 3 shall be deposited in the trust fund and shall be used to
 4 fulfill the purposes of this chapter."

5 SECTION 3. Section 247-7, Hawaii Revised Statutes, is
 6 amended to read as follows:

7 "**§247-7 Disposition of taxes.** All taxes collected under
 8 this chapter shall be paid into the state treasury to the credit
 9 of the general fund of the State, to be used and expended for
 10 the purposes for which the general fund was created and exists
 11 by law; provided that of the taxes collected each fiscal year:

12 (1) [~~Ten~~] 10 per cent shall be paid into the land
 13 conservation fund established pursuant to section
 14 173A-5;

15 (2) [~~Twenty-five~~] 25 per cent from July 1, 2009, until
 16 June 30, 2012; [~~thirty~~] 30 per cent from July 1, 2012,
 17 until June 30, 2014; and [~~fifty~~] 50 per cent in each
 18 fiscal year thereafter shall be paid into the rental
 19 housing trust fund established by section 201H-202;
 20 [~~and~~]

1 (3) [~~Twenty~~] 20 per cent from July 1, 2009, until June 30,
2 2012, and [~~twenty-five~~] 25 per cent in each fiscal
3 year thereafter shall be paid into the natural area
4 reserve fund established by section 195-9; provided
5 that the funds paid into the natural area reserve fund
6 shall be annually disbursed by the department of land
7 and natural resources in the following priority:

8 (A) To natural area partnership and forest
9 stewardship programs after joint consultation
10 with the forest stewardship committee and the
11 natural area reserves system commission;

12 (B) Projects undertaken in accordance with watershed
13 management plans pursuant to section 171-58 or
14 watershed management plans negotiated with
15 private landowners, and management of the natural
16 area reserves system pursuant to section 195-3;
17 and

18 (C) The youth conservation corps established under
19 chapter 193 [~~-~~]; and



1 (D) 7.5 per cent shall be paid into the Kaho'olawe
 2 rehabilitation trust fund established by section
 3 6K-9.5."

4 SECTION 4. Statutory material to be repealed is bracketed
 5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.

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 INTRODUCED BY:

[Handwritten signatures and names]
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Report Title:

Kaho'olawe Rehabilitation Trust Fund; Conveyance Tax

Description:

Provides that a portion of the state conveyance tax be used to replenish the Kaho'olawe rehabilitation trust fund.

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