

Honolulu, Hawaii

April 28, 2016

RE: H.B. No. 1684
H.D. 2
S.D. 1
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1684, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to assist the Natural Energy Laboratory of Hawaii Authority (NELHA) in the development of lands under its control by exempting the operations of NELHA from the 15-year lease term limit on concessions or concession space on public property.

NELHA is a self-sufficient agency attached to the Department of Business, Economic Development, and Tourism. Currently, the lease of concessions or concession space on public land may not exceed a term of 15 years. NELHA operates the Hawaii Ocean Science and Technology Park on approximately 80 acres of public land in Kailua-

HB1684 CD1 HCCR HMS 2016-3436



Kona on the island of Hawaii. The plans for this park are to develop a large commercial and industrial complex or mall. However, a significant portion of this land is underdeveloped, as it is on barren lava, which requires an investment of over \$50,000 to grade a single acre, and the imposition of a 15-year lease term limit hinders NELHA's ability to find a developer willing to develop this area at such a significant cost.

While your Committee on Conference believes that simply exempting NELHA from the 15-year lease term limit would facilitate the ability of NELHA to find developers for its underdeveloped lands, your Committee on Conference finds that exempting the operations of NELHA from all bidding requirements for concessions or concession space on public property would be a more efficient and effective means of developing NELHA lands.

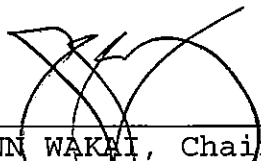
Accordingly, your Committee has amended this measure by exempting instead the operations of NELHA from bidding requirements for concessions or space on public property.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1684, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1684, H.D. 2, S.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE




GLENN WAKAI, Chair



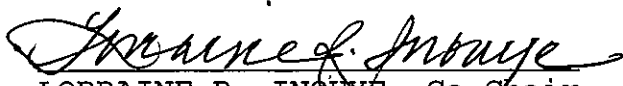
DEREK S.K. KAWAKAMI, Co-Chair



DONNA MERCADO KIM, Co-Chair



NICOLE E. LOWEN, Co-Chair



LORRAINE R. INOUE, Co-Chair



**Record of Votes of a
Conference Committee**

Bill / Concurrent Resolution No.: HB 1684, HD 2, SD 1	Date/Time: 04/26/16 2:15pm
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The recommendation of the House and Senate managers is to pass with amendments (CD).
 The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
WAKAI, Glenn, Chr.	/				KAWAKAMI, Derek S.K., Co-Chr.	/			
KIM, Donna Mercado, Co-Chr.	/			/	LOWEN, Nicole E., Co-Chr.	/			
INOUYE, Lorraine R., Co-Chr.	/				KEOHOKALOLE, Jarrett				/
					POUHA, Feki	/			
TOTAL	2			1	TOTAL	3			1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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