

Honolulu, Hawaii  
**February 12**, 2015RE: H.B. No. 518  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 518 entitled:

"A BILL FOR AN ACT RELATING TO THE DISPOSITION OF PUBLIC LANDS,"

begs leave to report as follows:

The purpose of this measure is to amend the law regarding the lease of public lands by authorizing:

- (1) Lessees of public lands to relinquish a lease during the last half term of the lease;
- (2) The disposition of relinquished leases and capital improvements at public auction;
- (3) A relinquishing lessee to leave improvements on leased land which shall not be counted towards the appraised fair market value of the lease upon relinquishment and auction of the lease; and
- (4) Reimbursement of a relinquishing lessee for improvements by the new lessee.

The Chika Nakano Repair Shop; Hilo Bay Printing Co., Ltd; Sand Island Business Association; McCully Works; and several individuals testified in support of this measure. The Department



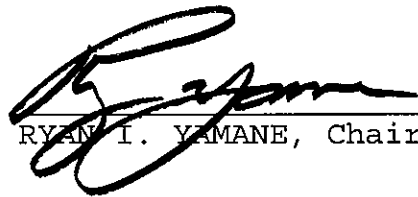
of Land and Natural Resources testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Converting the provisions of this Act into a four-year public land lease pilot project in counties with a population between 170,000 and 200,000;
- (2) Requiring the Department of Land and Natural Resources to submit an interim and a final report to the legislature; and
- (3) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 518, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 518, H.D. 1, and be referred to the Committee on Judiciary.

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



RYAN I. YAMANE, Chair



