

Honolulu, Hawaii

FEB 19 2015

RE: S.B. No. 1173

S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committees on Water and Land and Tourism and  
International Affairs, to which was referred S.B. No. 1173  
entitled:

"A BILL FOR AN ACT RELATING TO THE ACQUISITION OF SCENIC  
LANDS AT KAPUA IN MILOLI'I ON THE ISLAND OF HAWAII,"

beg leave to report as follows:

The purpose and intent of this measure is to require the  
Department of Land and Natural Resources to engage in negotiations  
to acquire certain lands of Kapua with excess revenues derived  
from the transient accommodations tax.

Your Committees received comments on this measure from the  
Department of Land and Natural Resources, Department of Budget and  
Finance, Tax Foundation of Hawaii, and State-County Functions  
Working Group.

Your Committees find that the lands of Kapua in Miloli'i on  
the island of Hawaii are a scenic wonder with breathtaking  
shoreline views that are slated for resort development by its  
owner, The Resort Group. The lands of Kapua comprise at least  
6,000 acres in South Kona that are classified as agricultural or  
conservation land. The Resort Group acquired the land from the  
Kamehameha Schools/Bishop Estate.

Your Committees further find that the State should seek to  
acquire Kapua in the interests of preserving the area's  
diminishing pristine condition for future generations while



ensuring the preservation of agriculture and the prudent economic development of the area.

Your Committees are in the process of obtaining the tax map key numbers of the subject property and will advise your Committee on Ways and Means accordingly.

Your Committees have amended this measure by:

- (1) Qualifying the references to "lands of Kapua" by adding "commonly known as Miloli'i";
- (2) Requiring the Department of Land and Natural Resources to consult with The Trust for Public Lands, rather than the Hawaiian Islands Land Trust; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the records of votes of the members of your Committees on Water and Land and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1173, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1173, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Water and Land  
and Tourism and International  
Affairs,



GILBERT KAHELE, Chair

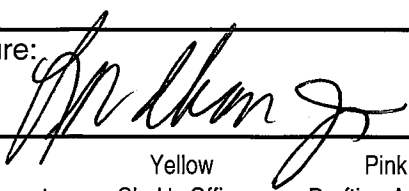


LAURA H. THIELEN, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

Bill / Resolution No.:*	Committee Referral:	Date:		
GB 1173	WTL/TSI, NAM	02.13.15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
THIELEN, Laura H. (C)	✓			
GALUTERIA, Brickwood (VC)				✓
IHARA, Jr., Les	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SHIMABUKURO, Maile S.L.	✓			
SLOM, Sam				✓
<b>TOTAL</b>	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes

JKB

The Senate  
Twenty-Eighth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Tourism and International Affairs**  
**TSI**

Bill / Resolution No.:* <b>SB 1173</b>	Committee Referral: <b>WTL/TSI, WAM</b>	Date: <b>02/11/15</b>
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The Committee is reconsidering its previous decision on this measure.  
If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312     Pass, with amendments 2311     Hold 2310     Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KAHELE, Gilbert (C)	✓			
ENGLISH, J. Kalani (VC)	✓			
TANIGUCHI, Brian T.	✓			
TOKUDA, Jill N.				✓
SLOM, Sam				✗
<b>TOTAL</b>	<b>3</b>			<b>2</b>

Recommendation:  Adopted     Not Adopted

Chair's or Designee's Signature:  


**Distribution:**      Original      Yellow      Pink      Goldenrod  
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