

Honolulu, Hawaii

FEB 05 2016

RE: S.B. No. 2356  
S.D. 1

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

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred S.B. No. 2356 entitled:

"A BILL FOR AN ACT RELATING TO DISPOSITION OF TAX REVENUES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require ten percent or \$7,600,000, whichever is less, of conveyance taxes collected be paid into the land conservation fund;
- (2) Require twenty-five percent or \$19,000,000, whichever is less, of conveyance taxes collected to be paid into the natural area reserve fund, with specified allocations for forest stewardship, watershed management, and youth conservation corps; and
- (3) Allow the Department of Land and Natural Resources to use conveyance tax revenue deposited in the forest stewardship fund as authorized under the specified allocations of section 247-7, Hawaii Revised Statutes, to administer the forest stewardship program and manage the forest reserve system.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Oahu Invasive Species Committee, the Trust for Public Land, Conservation Council for Hawaii, The Nature Conservancy, Sierra Club of Hawaii, and two



individuals. Your Committee received testimony in opposition to this measure from Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

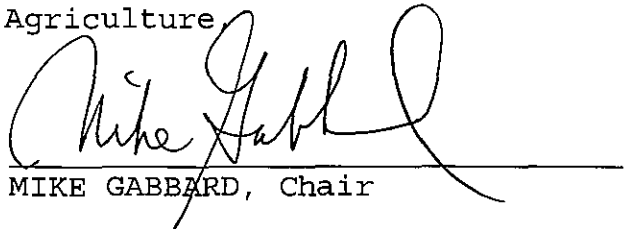
Your Committee finds that the natural area reserve fund was a dedicated funding mechanism created for the natural area partnership program, the natural area reserves, the watershed partnerships program, and the youth conservation corps through taxes paid on conveyances of land. Your Committee further finds that the legacy land conservation program provides funding from the land conservation fund for the acquisition of lands, including easements, for the protection of the land. Grants from the land conservation fund are available through the legacy land conservation program to state agencies, counties, and non-profit land conservation organizations seeking funding to acquire property that has value as a resource to Hawaii.

Your Committee has amended this measure by:

- (1) Deleting language that would have allocated a portion of conveyance tax revenues to the natural area reserve fund for forest stewardship, watershed management, and youth conservation corps; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2356, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2356, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Water, Land, and  
Agriculture



MIKE GABBARD, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Water, Land, and Agriculture**  
**WLA**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2356	WLA, WAM	Feb 1, 2016		
<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
GABBARD, Mike (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
DELA CRUZ, Donovan M.				✓
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SHIMABUKURO, Maile S.L.	✓			
THIELEN, Laura H.	✓			
WAKAI, Glenn				✓
SLOM, Sam		✓ <i>ca</i>		
		✓ <i>ca</i>		
<b>TOTAL</b>	<b>6</b>	<b>1</b>		<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K. Nishihara</i>				
Distribution:     Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes