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GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
WATER & LAND**

**Friday, March 17, 2017  
10:30 AM  
State Capitol, Conference Room 325**

**In consideration of  
HOUSE CONCURRENT RESOLUTION 99  
REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO  
ESTABLISH THE REMNANT PARCEL TASK FORCE**

House Concurrent Resolution 99 requests the Department of Land and Natural Resources (Department) to establish a remnant parcel task force. The resolution requests that the task force to create an inventory of remnant parcels owned by the State that are suitable for sale, and to determine a process for the evaluation and disposition of suitable remnant parcels. Additionally the resolution requests that the task force provide a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the 2018 Regular Session. **The Department respectfully opposes this resolution.**

Pursuant to Section 171-52, Hawaii Revised Statutes, a remnant is defined as a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics.

The Department is focused on projects that would support greater income production and natural resource protection. Creating an inventory of all remnant parcels would impose a significant burden on the Department's limited staff resources, while remnant parcel sales generate a relatively small portion of the overall revenue generated by land dispositions.<sup>1</sup> An inventory of all remnant parcels would require at least an initial cursory review of all parcels under the Department's management. The Department also notes that remnant parcels are not exclusively under its management; other agencies such as the Department of Transportation could have such

<sup>1</sup> Remnant parcels sales are required by statute to be paid into the general fund (after OHA's 20% share if ceded lands) instead of our special fund that supports the division and department's programs.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**KEKOA KALUHIWA**  
FIRST DEPUTY

**JEFFREY T. PEARSON, P.E.**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

parcels. Additionally, not all remnant parcels are identified by a tax map key number, so additional extensive research would be required as to identifying the parcel, ownership and remnant status.

The Department is not aware of significant market demand for remnant parcels, as dispositions are commenced at the request of the adjoining landowner. Furthermore, as the statute limits purchasers of remnant parcels to an abutting landowner, market demand is solely dependent on the interest of an abutting landowner in purchasing the remnant.

Therefore, the Department does not believe it is in its best interest to allocate resources to market otherwise undevelopable parcels to a limited pool of purchasers.

Thank you for the opportunity to comment on this measure.



**HCR99**  
**REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO ESTABLISH**  
**THE REMNANT PARCEL TASK FORCE**  
House Committee on Water & Land

March 17, 2017

10:30 a.m.

Conference Room 325

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The Office of Hawaiian Affairs (OHA) Beneficiary Advocacy and Empowerment Committee **SUPPORTS** HCR99, which would request the Department of Land and Natural Resources (DLNR) to establish a remnant parcel task force. The requested task force would serve to inventory remnant parcels and recommend a proper process for their evaluation and possible disposition – which could help to close a legal loophole that has allowed for the alienation of public lands as “remnants,” including “ceded” and public land trust lands.

**Unlike other public lands, lands classified as “remnants” may be sold without formal notice to the legislature or OHA, without legislative supermajority approval, and without public auction.** While remnants typically consist of formerly condemned lands or abandoned ditches or roads, a few recent remnant sales have involved much more significant parcels of land – including five acres of ceded, public land trust lands in Hāna, Maui. This Hāna parcel, featuring a stream, waterfall, and pool frequented by both tourists and cultural practitioners, was sold to an adjacent landowner for a mere \$5,000 an acre, and was classified as a “remnant” based solely on an assertion that it was “unsuitable for development.” This adjacent landowner recently listed their property for sale at \$20,000,000, featuring the waterfall and pool, which were acquired as a “remnant.” Subsequently after the sale of the Hāna parcel, a seven-acre parcel of land in Nu‘uanu, O‘ahu was similarly sold as a “remnant” deemed “unsuitable for development.” Given that the vast majority of state lands may be described as “unsuitable for development,” such sales raise grave concerns regarding the potential selling off of our limited public land base, outside of legislatively-established procedural protections.

**Accordingly, this measure is one step towards establishing much-needed safeguards against the privatization of improperly classified public lands as “remnants,” by providing OHA with the opportunity to participate in the development of a process to evaluate and possibly dispose of public lands identified as remnant parcels.** Such oversight in the identification and possible sale of “remnants” allows for appropriate remnant classification, and discourages remnant sales that may unduly benefit private purchases. As an advocate for the maintenance of “ceded” lands pending the resolution of Native Hawaiian claims, and as the public agency entrusted with safeguarding the future assets of the Lāhui, OHA is uniquely positioned to participate in a remnant parcel task force.

Therefore, OHA urges the Committee to **PASS** HCR99. Mahalo for the opportunity to testify on this measure.