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### A BILL FOR AN ACT

RELATING TO GOVERNMENT.

|    | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:         |
|----|--|
| 1  | PART I   |
| 2  | SECTION 1. The Hawaii Revised Statutes is amended by             |
| 3  | adding a new chapter to be appropriately designated and to read  |
| 4  | as follows:  |
| 5  | "CHAPTER   |
| 6  | MAUNA KEA MANAGEMENT AUTHORITY                                   |
| 7  | <b>§ -1 Findings and purpose.</b> The legislature finds that     |
| 8  | Mauna Kea is of profound cultural and genealogical importance to |
| 9  | Native Hawaiians. Mauna Kea is also valued as an exceptional     |
| 10 | site for astronomical advancements. The summit region of Mauna   |
| 11 | Kea is a spiritual site that is home to cultural landscapes,     |
| 12 | fragile alpine habitats, and historical and archaeological       |
| 13 | treasures, as well as endemic species found nowhere else on the  |
| 14 | planet. Mauna Kea's exceptional atmospheric conditions make it   |
| 15 | the world's premier site for astronomical observations. In       |
| 16 | addition, the legislature recognizes the critical need to manage |
| 17 | these sensitive cultural and natural resources in a way that     |



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supports both the continuance of traditional and customary
 practices and science and technology.

3 The legislature further finds that the protection and 4 preservation of Mauna Kea through proper management and 5 stewardship is of statewide concern. Since 1998, four audits by 6 the state auditor have been critical of the management, 7 stewardship, and protection of Mauna Kea. Although significant 8 changes have occurred on Mauna Kea since the 1998 audit, 9 negative experiences over the past fifty years have eroded 10 public confidence and demonstrated the critical need for fresh 11 leadership centered on a new organizational structure, 12 management system, and procedures.

13 Accordingly, the legislature finds that there is a clear 14 need for one entity to serve as a single focal point of 15 management, responsibility, communication, and enforcement 16 regarding Mauna Kea. This new entity will increase the 17 accountability of all tenants on Mauna Kea and will ensure that 18 each tenant is aware of its obligations and responsibilities. 19 This entity will also provide the necessary stewardship for the 20 sustainable use of Mauna Kea and the proper generation of 21 revenue from that use. This entity will be headquartered on the

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1 island of Hawaii and will be recognized by the general public 2 and the State as the single point of contact for Mauna Kea's summit region and midlevel facilities. The legislature intends 3 that this new entity will be led by a board whose members have 4 5 no inherent conflicts of interest regarding Mauna Kea, and who 6 will provide the requisite level of independence, objectivity, 7 competence, relevant expertise, commitment, and willingness to 8 be engaged in order for the new entity to achieve its goals. In 9 addition, it is the legislature's intent that the authority 10 shall be self-funded and not require appropriations from the 11 State's general fund. Revenues generated by the authority will 12 primarily be used for the management and proper stewardship of 13 the approximately eleven thousand four hundred acres of lands on 14 Mauna Kea under the authority's jurisdiction. The legislature 15 further intends for the new entity to supersede all existing 16 entities that are responsible for the management and stewardship 17 of Mauna Kea.

18 The purpose of this Act is to establish a Mauna Kea19 management authority.

20 § -2 Definitions. As used in this chapter, unless the
21 context otherwise requires:



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"Authority" means the Mauna Kea management authority.
 "Chairperson" means the chairperson of the Mauna Kea
 management authority.

4 "Holder of record having a security interest" means a 5 person who is the owner or possessor of a security interest in 6 any land covered in section 171-10 and who has filed with the 7 bureau of conveyances of the State and with the authority a copy 8 of the interest; provided that for the purposes of this chapter, 9 all references in section 171-10 to the board of land and 10 natural resources shall be construed as referring to the Mauna 11 Kea management authority and that section shall apply 12 accordingly.

"Land" includes all interests therein and natural resources
including water, minerals, and all things connected with land,
unless expressly provided otherwise.

16 "Land license" means a privilege granted to enter land for 17 a certain special purpose such as the removal of timber, soil, 18 sand, gravel, stone, hapuu, and plants, but not including water 19 rights, ground or surface, nor removal of minerals.

20 "Lease" means the right to possess and use land for a term21 of years.



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1 "Mauna Kea" means all real property identified in part II 2 of this Act that is situated on the mountain on the island of 3 Hawaii, known variously as Mauna Kea, Maunakea, Mauna a Wakea, 4 Mauna O Wakea, Ka Mauna a Kea, or Mauna Akea. 5 "Mauna Kea lands" means all lands held in trust or otherwise controlled by the Mauna Kea management authority. 6 7 "Person" includes individual, partnership, corporation, and 8 association, except as otherwise defined in this chapter. 9 "Vice chairperson" means the vice chairperson of the Mauna 10 Kea management authority. 11 S Mauna Kea management authority; established. -3 (a) 12 There is established the Mauna Kea management authority, which 13 shall be a body corporate and a public instrumentality of the 14 State for the purpose of implementing this chapter. The 15 authority shall be attached to the department of accounting and 16 general services for administrative purposes. 17 (b) The authority shall consist of seven voting members 18 who shall be subject to section 26-34. The members shall

19 include:



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| 1  | (1) | An expert in astronomy who is not currently employed   |
|----|-----|--|
| 2  |     | at an astronomy facility or the University of Hawaii's |
| 3  |     | institute for astronomy;                               |
| 4  | (2) | A land management expert;                              |
| 5  | (3) | Two business experts whose expertise is in real        |
| 6  |     | estate, property appraisal, accounting, finance,       |
| 7  |     | economics, or innovation;                              |
| 8  | (4) | An environmental expert whose expertise is in          |
| 9  |     | environmental sciences of relevance to the natural     |
| 10 |     | resources and ecological attributes of Mauna Kea, as   |
| 11 |     | evidenced by a college or post-graduate degree in      |
| 12 |     | biology, ecology, or other relevant field, or work     |
| 13 |     | history that demonstrates an appropriate level of      |
| 14 |     | knowledge in Mauna Kea's natural resources and         |
| 15 |     | ecological attributes;                                 |
| 16 | (5) | A practitioner or lineal descendant of practitioners   |
| 17 |     | of Native Hawaiian traditional and customary practices |
| 18 |     | associated with Mauna Kea; provided that such          |
| 19 |     | representative shall have been appointed from a list   |
| 20 |     | of nominees submitted to the governor by the office of |
| 21 |     | Hawaiian affairs; and                                  |



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| 1  | (6)       | An iı  | ndividual with demonstrated expertise in Native    |
|----|-----------|--------|--|
| 2  |           | Hawa   | iian traditional and customary practices or        |
| 3. |           | Hawa:  | iian history, as evidenced by:                     |
| 4  |           | (A)    | A college or post-graduate degree in a relevant    |
| 5  |           |        | field, such as Hawaiian studies, native Hawaiian   |
| 6  |           |        | law, native Hawaiian traditional and customary     |
| 7  |           |        | practices, or related subject area;                |
| 8  |           | (B)    | Work history that demonstrates an appropriate      |
| 9  |           |        | level of knowledge in native Hawaiian traditional  |
| 10 |           |        | and customary practices or native Hawaiian         |
| 11 |           |        | history; or  |
| 12 |           | (C)    | Substantial experience as a native Hawaiian        |
| 13 |           |        | traditional and customary practitioner;            |
| 14 |           | provi  | ded that such representative shall have been       |
| 15 |           | appoi  | inted from a list of nominees submitted to the     |
| 16 |           | govei  | mor by the office of Hawaiian affairs;             |
| 17 | provided  | that f | our members of the authority shall be residents    |
| 18 | of the co | unty o | of Hawaii.   |
| 19 | A ma      | jority | v of all members shall constitute a quorum to do   |
| 20 | business, | and t  | the concurrence of a majority of all members shall |
| 21 | be necess | ary to | make any action of the authority valid. All        |



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members shall continue in office until their respective
 successors have been selected, or appointed and confirmed.

3 (c) The authority shall annually elect the chairperson and4 vice chairperson from among its members.

5 (d) The members of the authority shall serve for a term of
6 four years and shall not serve more than two terms; provided
7 that the initial terms shall be staggered, as determined by the
8 governor.

9 (e) The members of the authority appointed under
10 subsection (b) shall be compensated commensurately with trustees
11 of the office of Hawaiian affairs pursuant to section 10-9;
12 provided that salary and all expenses under this subsection
13 shall be paid exclusively from the Mauna Kea management
14 revolving fund under section -35.

15 (f) The authority's day-to-day operations shall be led by 16 the chairperson. The authority's organizational structure shall 17 include but not be limited to six divisions as follows:

18 (1) Enforcement, which shall be led by a chief enforcement
19 officer and include communication center operators,
20 rangers and other law enforcement officers pursuant to
21 section -41, and other staff. This division shall



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1 be responsible for the health, safety, and welfare of 2 visitors to Mauna Kea, including responding to 3 emergencies of a medical or law enforcement nature, 4 and for the protection of natural resources; 5 (2) Culture and the environment, which shall be led by a 6 chief culture and environment officer and be 7 responsible for the protection, preservation, and 8 appreciation of cultural and environmental resources 9 within the authority's managed areas. This division 10 shall work with lineal descendants, community members, 11 environmentalists, and individuals traditionally 12 associated with cultural resources on Mauna Kea 13 through appropriate programs of research, planning, 14 and stewardship. This division shall also work with 15 the state historic preservation division and the 16 Hawaii island burial council, as necessary; 17 (3) Revenue management, which shall be led by a chief 18 financial officer and be responsible for the fiscal 19 management of all financial resources associated with 20 the Mauna Kea summit, observatories, Hale Pohaku, 21 visitor center, and all commercial activities,



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1 including budget and accounting functions. Α 2 certified public accountant shall be a member of the 3 division staff; (4) Operations, which shall be led by a chief operations 4 5 officer and be responsible for planning and organizing 6 operations to achieve maximum efficiency and for the 7 daily management and oversight of Mauna Kea's 8 facilities, parks, trails, and natural and cultural 9 resources. This division shall also manage the entry 10 and access center, cultural and visitor center, all 11 infrastructure within the authority's jurisdiction, 12 the Mauna Kea access road, and all water, wastewater, 13 and power functions associated with summit and Hale 14 Pohaku operations; 15 (5) Legal, which shall be led by a chief legal officer and 16 general counsel and shall be responsible for 17 overseeing all applications of all laws, court 18 decisions, and rules pertaining to the authority, and 19 shall include attorneys who shall be responsible for 20 the management of contracts, subleases, memoranda of



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1 understanding, and memoranda of agreement entered into 2 by the authority; and 3 (6) Community relations, which shall be led by a chief community relations officer and be responsible for 4 5 strengthening community engagement and education through grants, scholarships, and community benefits 6 7 programs. Community relations staff shall work in 8 coordination with community and business groups, the 9 department of education, and the University of Hawaii 10 to prepare local residents for careers in the science, 11 technology, engineering, and mathematics fields. This 12 division shall also coordinate interactive educational 13 opportunities for Mauna Kea visitors and develop a 14 summit access program and a peace park concept at Hale 15 Pohaku. 16 -4 Powers and responsibilities; generally. (a) S The

17 authority shall hold title to the lands situated on Mauna Kea as 18 identified in section -2 and shall establish access, 19 stewardship, and management policies for Mauna Kea lands, 20 including but not limited to policies pertaining to the

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1 protection of natural and cultural resources, all recreational 2 activities, and all commercial uses. 3 Except as otherwise limited by this chapter, the authority 4 may: 5 (1)Sue and be sued; 6 (2) Have a seal and alter the same at pleasure; 7 (3) Make and execute contracts, leases, and all other 8 instruments necessary or convenient for the exercise 9 of its powers and functions under this chapter; 10 Make and alter bylaws for its organization and (4)11 internal management; 12 (5) Adopt rules pursuant to chapter 91 for the purposes of 13 this chapter; 14 (6) Appoint officers, agents, and employees, prescribe 15 their duties and qualifications, and fix their 16 salaries, subject to chapters 76 and 89; 17 (7) Prepare or cause to be prepared a current and 18 comprehensive management plan for all aspects of 19 public and private access and use of Mauna Kea lands, 20 which shall include benchmarks;

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| 1  | (8)  | Provide advisory, consultative, training, and          |
|----|------|--|
| 2  |      | educational services, technical assistance, and advice |
| 3  |      | to any person, partnership, or corporation, either     |
| 4  |      | public or private, to carry out the purposes of this   |
| 5  |      | chapter, and engage the services of consultants on a   |
| 6  |      | contractual basis for rendering professional and       |
| 7  |      | technical assistance and advice;                       |
| 8  | (9)  | Procure insurance against any loss in connection with  |
| 9  |      | its property and other assets and operations in        |
| 10 |      | amounts and from insurers as it deems desirable;       |
| 11 | (10) | Contract for and accept gifts or grants in any form    |
| 12 |      | from any public agency or from any other source;       |
| 13 | (11) | Adopt rules governing the procurement and purchase of  |
| 14 |      | goods, services, and construction, subject to the      |
| 15 |      | requirements of chapter 103D;                          |
| 16 | (12) | Prevent illegal activities on, unlawful occupation of, |
| 17 |      | or trespassing on Mauna Kea lands;                     |
| 18 | (13) | Cause all trespassers and persons unlawfully occupying |
| 19 |      | Mauna Kea lands, and their effects, and all animals    |
| 20 |      | trespassing on the lands to be removed therefrom and   |
| 21 |      | to impound the animals according to law;               |



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| 1  | (14) | Enter any Mauna Kea lands in order to take possession  |
|----|------|--|
| 2  |      | thereof, and to resume possession of any Mauna Kea     |
| 3  |      | lands in case of surrender, forfeiture, or escheat;    |
| 4  | (15) | Enforce contracts respecting sales, leases, licenses,  |
| 5  |      | permits, or other disposition of Mauna Kea lands;      |
| 6  | (16) | Recover money due the authority for damage done to any |
| 7  |      | Mauna Kea lands by wrongful entry and occupation or by |
| 8  |      | wrongful removal therefrom or destruction of any       |
| 9  |      | property;  |
| 10 | (17) | Bring actions and proceedings as may be necessary to   |
| 11 |      | carry out the powers and duties of the authority in    |
| 12 |      | the name of the State and to defend actions brought    |
| 13 |      | against the State as may be authorized;                |
| 14 | (18) | Enforce laws and rules within all Mauna Kea lands,     |
| 15 |      | pursuant to sections $-3(f)(1)$ , $-39$ , and $-40$ ;  |
| 16 | (19) | Do any and all things necessary to carry out its       |
| 17 |      | purposes and exercise the powers given and granted in  |
| 18 |      | this chapter;  |
| 19 | (20) | Review, revise, and update as necessary all management |
| 20 |      | plans for Mauna Kea, including but not limited to the  |
| 21 |      | 2000 Mauna Kea science reserve master plan, the 2009   |



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1 Mauna Kea comprehensive management plan, the cultural 2 resources management plan, the natural resources 3 management plan, the public access plan, and the decommissioning plan; and 4 5 (21)Adopt advisory committees to advise the authority on 6 culture, science, environment, education, astronomy, 7 and business. 8 (b) Notwithstanding any other law to the contrary: 9 (1)The authority may grant easement, by direct 10 negotiation or otherwise, for particular purposes in 11 perpetuity on terms as may be set by the board, 12 subject to reverter to the authority upon termination 13 or abandonment of the specific purpose for which it 14 was granted; provided the sale price of the easement 15 shall be determined pursuant to section -8; and 16 (2)No person who has had a previous sale, lease, license, 17 permit, or easement covering Mauna Kea lands canceled, 18 during the five years preceding the date of 19 disposition, for failure to satisfy the terms and 20 conditions thereof shall be eligible to purchase or

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1 lease Mauna Kea lands or to be granted a license, 2 permit, or easement covering Mauna Kea lands. 3 -5 Auction. Except as otherwise specifically S 4 provided, all disposition of lands by the authority shall be 5 made at public auction after public notice as provided in 6 -7. All applicable auctions shall be held at the section 7 door of the office of the land agent or at a place that is 8 convenient in the district in which the land is located, and 9 shall be conducted by the land agent or by any authorized 10 employee of the authority under the direction of the authority, 11 all of whom shall perform this service without extra 12 compensation.

13 S -6 Drawing. Whenever Mauna Kea lands are to be leased 14 by drawing, the authority shall notify by publication of 15 applications for the drawing as provided in section -7 with all details concerning the drawing as it shall deem necessary 16 17 and desirable. Applications to participate in the drawing shall 18 be filed with the authority within two weeks after the last 19 publication date. Within forty-five days after the closing date 20 for applications, the authority shall screen the qualifications 21 of the applicants, select those qualified to participate, notify

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all applicants of the selection, and conduct a drawing. 1 The 2 date of the drawing shall be published as set forth in section 3 The award shall be made within one week and all -7. 4 applicants shall be notified of the result of the drawing. The 5 lease shall be issued within ninety days after the drawing or 6 when conditions of sale are fulfilled. 7 **Notices.** (a) Auctions. Public notice of any S -7 8 proposed disposition by auction shall be given at least once 9 statewide and once in the county where the land being disposed 10 of is located. Notice of the auction shall contain the 11 following: 12 (1)Time and place of the auction; 13 (2) General description of the land, including the address 14 and tax map key; 15 (3) Specific use for which the disposition is intended; 16 and 17 (4)Rental price to be charged. The maps showing the 18 metes and bounds description and the classification of 19 the land shall be kept in the office of the authority 20 and of its land agent in the county in which the land

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| 1  |           | is situated, and shall be open for inspection at all    |
|----|-----------|---|
| 2  |           | reasonable hours.                                       |
| 3  | (b)       | Drawings. Whenever a disposition by drawing by lots     |
| 4  | is propos | ed, public notice inviting applications to participate  |
| 5  | in the dr | awing shall be given once statewide and once in the     |
| 6  | county wh | ere the land being disposed of is located. The notice   |
| 7  | shall con | tain:   |
| 8  | (1)       | The qualifications required of applicants;              |
| 9  | (2)       | A general description of the land, including the        |
| 10 |           | address and tax map key;                                |
| 11 | (3)       | Specific use for which the disposition is intended;     |
| 12 |           | and   |
| 13 | (4)       | Date by which all applications must be filed, which     |
| 14 |           | shall be not less than fourteen days after the last     |
| 15 |           | notice.   |
| 16 | Within fo | rty-five days after the closing date for applications,  |
| 17 | the autho | rity shall select those qualified to participate in the |
| 18 | drawing,  | notify all applicants as to whether or not they         |
| 19 | qualified | , and conduct the drawing.                              |
| 20 | The       | notice of selection of applicants qualified to          |
| 21 | participa | te in the drawing, together with the notice of drawing, |
|    |           |   |



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shall be mailed to each applicant, whether or not the applicant,
 in fact, qualified. The notice of the drawing shall state the
 time and place of the drawing. Upon completion of the drawing,
 the award shall be announced within one week, and the lease
 issued within ninety days after the drawing or when the
 conditions of the sale are fulfilled.

7 (C) Negotiation. Public notice of a proposed disposition 8 by negotiation shall be given at least once statewide and once 9 in the county where the land being disposed of is located; 10 provided that the notices are not required for permits. The 11 notice shall invite proposals and state in general terms the 12 size, location, and prices or rental of lots to be leased, the 13 terms of lease, and the last date upon which application will be 14 received by the authority, which shall not be less than thirty 15 days after the last date of the notice. The notice shall also 16 state the times and places at which more detailed information 17 with respect to the lease may be secured by interested persons. 18 (d) In addition to giving public notice, any public notice required under this section shall also be posted on the Internet 19

20 in an easily-located manner.



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1 S -8 Appraisals. (a) The appraisal of Mauna Kea lands 2 for lease at public auction for the determination of the upset 3 price may be performed by an employee of the authority gualified 4 to appraise lands, or by at least one but not more than three 5 disinterested appraisers whose services shall be contracted for 6 by the authority; provided that the upset rental shall be 7 determined by disinterested appraisal whenever prudent 8 management so dictates. No lands shall be leased for a sum less 9 than the value fixed by appraisal; provided that for any lease 10 at public auction, the authority board may establish the rental price at less than the appraisal value set by an employee of the 11 12 authority and the lands may be leased at that price. The 13 authority shall be reimbursed by the lessee for the cost of any 14 appraisal required to be made by a disinterested appraiser or 15 appraisers contracted for by the authority.

16 (b) The lease rental of lands to be disposed of by drawing
17 or by negotiation shall be no less than the value determined by:
18 (1) An employee of the authority qualified to appraise
19 lands; or

20 (2) A disinterested appraiser or appraisers whose services
21 shall be contracted for by the authority, and the



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1 appraisal and any further appraisal with the approval 2 of the authority, shall be at the cost of the lessee; 3 provided that the lease rental shall be determined by disinterested appraisal whenever prudent management so dictates; 4 provided further that if the lessee does not agree upon the 5 6 lease rental, the lessee may appoint an appraiser who shall 7 conduct an appraisal on behalf of the lessee. If, after the 8 lessee's appraisal, the authority and the lessee do not agree on 9 the lease rental, the parties shall make a good faith effort to 10 resolve the dispute through nonbinding mediation by a single 11 mediator, appointed by mutual agreement of the parties. The 12 cost of mediation shall be borne equally by the parties. If 13 mediation does not resolve the dispute, the lessee's appraiser 14 together with the authority's appraiser shall appoint a third 15 appraiser, and the lease rental shall be determined by 16 arbitration as provided for in chapter 658A, which shall be 17 final and binding. The lessee shall pay for all appraisal 18 costs, except that the cost of the third appraiser shall be 19 borne equally by the lessee and the authority.

20 (c) If a reopening of the rental to be paid on a lease21 occurs, the rental for any ensuing period shall be the fair

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1 market rental at the time of reopening. At least six months
2 prior to the time of reopening, the fair market rental shall be
3 determined by:

4

5

- (1) An employee of the authority qualified to appraise lands; or
- 6 (2) A disinterested appraiser whose services shall be
  7 contracted for by the authority,

8 and the lessee shall be promptly notified of the determination 9 and provided with the complete appraisal prepared by the 10 authority or the authority's appraiser; provided that if the 11 lessee does not agree upon the fair market rental, the lessee 12 may appoint the lessee's own appraiser and the lessee shall 13 provide the authority with the complete appraisal prepared by 14 the lessee's appraiser. Each party shall pay for its own 15 appraiser. If the authority's and the lessee's appraisers do 16 not agree upon the lease rental, the lessee and the authority 17 shall in good faith attempt to resolve the dispute by nonbinding 18 mediation by a single mediator mutually agreed upon by the 19 parties. If the dispute is not resolved by the mediation, the 20 fair market rental shall be determined by arbitration as 21 provided in chapter 658A, which shall be final and binding.



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1 Either the authority or the lessee may initiate arbitration by a 2 written demand to the other party. The arbitration shall be 3 conducted by a single arbitrator, who shall be an attorney 4 licensed in the State, a person with experience in contracts and 5 real estate valuation, or another qualified person, who shall be 6 mutually agreed upon by the parties. If an arbitrator is not 7 selected within fifteen days of the demand for arbitration, 8 appointment of an arbitrator may be requested by either party by 9 motion made to the circuit court in the circuit in which the 10 land is located. The cost of mediation or arbitration shall be 11 borne equally by the lessee and the authority. Any language in 12 present leases to the contrary notwithstanding, the provisions 13 of this subsection, when possible and notwithstanding the six-14 month notice required, shall apply to leases with original lease 15 rental reopening dates effective before and after July 1, 1996. 16 (d) Complete appraisal reports, including all comparables 17 relied upon in the appraisal reports, shall be available for 18 study by the public. All complete appraisal reports shall be 19 provided to the opposing party prior to the commencement of 20 mediation or arbitration, if applicable, of the valuation 21 dispute.



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1 S -9 Notice of breach or default. Except as otherwise 2 specifically provided in this chapter, if a breach or default of 3 any term, covenant, restriction, or condition of any lease 4 heretofore or hereafter issued under this chapter occurs, the 5 authority shall deliver a written notice of the breach or 6 default by personal service or by registered or certified mail 7 to the party in default and to each holder of record having any 8 security interest in the land covered by or subject to the lease 9 making demand upon the party to cure or remedy the breach or 10 default within sixty days from the date of receipt of the 11 notice; provided that where the breach involves a failure to 12 make timely rental payments pursuant to the lease heretofore or 13 hereafter issued under this chapter, the written notice shall 14 include a demand upon the party to cure the breach within less 15 than sixty days, but not less than five business days, after 16 receipt of the notice. Upon failure of the party to cure or 17 remedy the breach or default within the time period provided 18 herein or within an additional period as the authority may allow 19 for good cause, the authority may exercise rights it may have at 20 law or as set forth in the lease, subject to section 171-10.

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1 Rights of holder of security interest. Whenever S -10 2 any notice of breach or default is given to any party under 3 -9, or under the terms of any lease, license, section 4 agreement, or other instrument issued or to be issued under this 5 chapter, a copy of the notice shall be delivered by the 6 authority to all holders of record of any security interest in 7 the land or interest covered by the lease, license, agreement, 8 or other instrument whose security interest has been recorded 9 with the authority. If the authority seeks to forfeit the 10 privilege, interest, or estate created by the lease, license, 11 agreement, or other instrument, each holder, at the holder's 12 option, may cure or remedy the breach or default, if it can be 13 cured or remedied, by the payment of money or by performing or 14 undertake in writing to perform all the terms, covenants, 15 restrictions, or conditions of any lease, patent, license, 16 agreement, or other instrument capable of performance by the 17 holder, as determined by the board, within the time period 18 provided in section -9 or within an additional period as the 19 authority may allow for good cause and add the cost thereof to the mortgage debt and the lien of the mortgage. Any lease, 20 21 license, agreement, or other instrument transferred pursuant to



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1 this section shall not be subject to the requirements in section
2 -5. Upon failure of the holder to exercise the holder's
3 option, the authority may:

(1) Pay to the holder from any moneys at its disposal, 4 5 including the Mauna Kea management revolving fund, which is made available for that purpose, the amount 6 of the mortgage debt, together with interest and 7 penalties, and secure an assignment of the debt and 8 9 mortgage from the holder, or if ownership of the 10 interest or estate has vested in the holder by way of 11 foreclosure or action in lieu thereof, the authority 12 shall be entitled to a conveyance of the interest or 13 estate upon payment to the holder of the amount of the 14 mortgage debt, including interest and penalties, and 15 all reasonable expenses incurred by the holder in connection with the foreclosure and preservation of 16 its security interest, less appropriate credits, 17 18 including income received from the privilege, 19 interest, or estate subsequent to the foreclosure; or (2) If the property cannot be reasonably reassigned 20 21 without loss to the State, then terminate the



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1 outstanding privilege, interest, or estate without 2 prejudice to any other right or remedy for arrears of 3 rent or for any preceding or other breach or default. 4 and use its best efforts to redispose of the affected land to a qualified and responsible person free and 5 6 clear of the mortgage and the debt thereby secured; 7 provided that a reasonable delay by the authority in 8 instituting or prosecuting any right or remedy it may 9 have under this section shall not operate as a waiver 10 of the right or deprive it of the remedy when it may 11 still attempt otherwise to resolve the problems 12 created by the breach or default involved. 13 The proceeds of any redisposition under paragraph (2) shall be 14 applied: first, to reimburse the authority for costs and expenses in connection with the redisposition; second, to 15 16 discharge in full any unpaid purchase price or other 17 indebtedness owing the State in connection with the privilege, 18 interest, or estate terminated; third, to the mortgagee to the 19 extent of the value received by the State upon redisposition 20 that exceeds the fair market lease value of the land as 21 previously determined by the State's appraiser; and fourth, to

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1 the owner of the privilege, interest, or estate. Nothing
2 contained in this section shall be construed in a manner as to
3 infringe upon or prejudice in any way the rights of a holder of
4 record having a security interest that has vested prior to the
5 effective date of this chapter.

6 -11 Report to legislature. (a) The authority shall S 7 submit a written report annually to the legislature, no later 8 than ten days prior to the convening of each regular session. 9 The report shall include an update on the status of all 10 administrative rules, including rules on the management, 11 stewardship, and protection of Mauna Kea lands and cultural 12 resources; an update on the preparation, update, amendment, and implementation of a comprehensive management plan; and a 13 14 description of all land dispositions made in the preceding year, 15 including leases, licenses, concessions, and permits, the 16 persons to whom made, the size of each disposition, the purpose 17 for which made, the land classification of each, the tax map key 18 number, the per unit price paid or set, and whether the 19 disposition was by auction, drawing, or negotiation. When land 20 originally leased by the authority is, in turn, subleased by the 21 authority's lessee or sublessee, the report shall include, in



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addition to the foregoing information, the reason for the
 approval of the sublease by the authority and the estimated net
 economic result accruing to the State, lessee, and sublessee.

4 (b) Whenever in this chapter any lease, easement, license, 5 executive order, quitclaim, or other disposition is made subject 6 to disapproval of the legislature, a written report thereof 7 containing the information required in subsection (a) shall be submitted to the legislature in the session next following the 8 9 date of the disposition, provided the report shall be submitted 10 no later than ten days prior to the convening of the session. 11 S -12 Policy. Unless otherwise specifically authorized 12 in this chapter or by subsequent legislative acts, all 13 dispositions shall be by lease only, disposed of by public 14 auction in accordance with the procedure set forth in sections 15 -5 and -7.

16 § -13 Planning; generally. Prior to any notice of
17 intended disposition, the authority shall:

- 18 (1) Classify the land according to its use or uses as19 provided in this chapter;
- 20 (2) Determine the specific use or uses for which the
  21 disposition is intended;



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| 1  | (3) | Parcel land into units of minimum size areas related   |
|----|-----|--|
| 2  |     | to the intended specific use or uses and sufficient    |
| 3  |     | for an economic operation, hereinafter called an       |
| 4  |     | "economic unit";                                       |
| 5  | (4) | Determine the requirements for the construction of any |
| 6  |     | building or other improvements, which are necessary or |
| 7  |     | desirable to encourage the highest use of the land;    |
| 8  | (5) | Determine the lease rental, based upon the fair market |
| 9  |     | value of the land employed to the specific use or uses |
| 10 |     | for which the disposition is being made, with due      |
| 11 |     | consideration for all of the terms and conditions of   |
| 12 |     | the disposition;                                       |
| 13 | (6) | Determine the necessary conditions of disposition that |
| 14 |     | will discourage speculation;                           |
| 15 | (7) | In the case of leases, determine the minimum tenure    |
| 16 |     | necessary to support the intended use or uses and the  |
| 17 |     | necessity for periodic rent openings in long-term      |
| 18 |     | leases to assure the State a fair return;              |
| 19 | (8) | Prepare the proposed documents and make them available |
| 20 |     | for public inspection; and                             |

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| 1  | (9)       | Determine, two years before the expiration of the term |
|----|-----------|--|
| 2  |           | of any lease, whether the premises are to be demised   |
| 3  |           | for the same use or uses under a new lease or whether  |
| 4  |           | all or any part thereof is to be reserved for other    |
| 5  |           | use or uses and then promptly notify the lessee of the |
| 6  |           | determination.   |
| 7  | Ş         | -14 Lease provisions; generally. Every lease issued    |
| 8  | by the au | thority shall contain:                                 |
| 9  | (1)       | The specific use or uses to which the land is to be    |
| 10 |           | employed;  |
| 11 | (2)       | The improvements required; provided that a minimum     |
| 12 |           | reasonable time be allowed for the completion of the   |
| 13 |           | improvements;  |
| 14 | (3)       | Restrictions against alienation as set forth in        |
| 15 |           | section -15;   |
| 16 | (4)       | The rent, as established by the authority or at public |
| 17 |           | auction, which shall be payable not more than one year |
| 18 |           | in advance, in monthly, quarterly, semiannual, or      |
| 19 |           | annual payments;                                       |
| 20 | (5)       | Where applicable, adequate protection of forests,      |
| 21 |           | watershed areas, game management areas, wildlife       |



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| 1  |           | sanctuaries, and public hunting areas, reservation of  |
|----|-----------|--|
| 2  |           | rights-of-way and access to other Mauna Kea lands,     |
| 3  |           | public hunting areas, game management areas, or public |
| 4  |           | beaches, and prevention of nuisance and waste; and     |
| 5  | (6)       | Any other terms and conditions as the authority deems  |
| 6  |           | advisable to more nearly effectuate the purposes of    |
| 7  |           | the state constitution and of this chapter.            |
| 8  | S         | -15 Lease restrictions; generally. (a) Except as       |
| 9  | otherwise | provided, the following restrictions shall apply to    |
| 10 | all lease | s:   |
| 11 | (1)       | Options for renewal of terms are prohibited;           |
| 12 | (2)       | No lease shall be for a longer term than sixty-five    |
| 13 |           | years;   |
| 14 | (3)       | No lease shall be made for any land under a lease that |
| 15 |           | has more than two years to run;                        |
| 16 | (4)       | No lease shall be made to any person who is in arrears |
| 17 |           | in the payment of taxes, rents, or other obligations   |
| 18 |           | owing the State or any county;                         |
| 19 | (5)       | No lease shall be transferable or assignable, except   |
| 20 |           | by devise, bequest, or intestate succession; provided  |
| 21 |           | that with the approval of the authority, the           |



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1 assignment and transfer of a lease or unit thereof may 2 be made in accordance with current industry standards, 3 as determined by the authority; provided further that prior to the approval of any assignment of lease, the 4 5 authority shall have the right to review and approve 6 the consideration to be paid by the assignee and may 7 condition its consent to the assignment of the lease 8 on payment by the lessee of a premium based on the 9 amount by which the consideration for the assignment, 10 whether by cash, credit, or otherwise, exceeds the 11 depreciated cost of improvements and trade fixtures 12 being transferred to the assignee; provided further 13 that with respect to state agricultural leases, in the 14 event of foreclosure or sale, the premium, if any, 15 shall be assessed only after the encumbrances of 16 record and any other advances made by the holder of a 17 security interest are paid;

18 (6) The lessee shall not sublet the whole or any part of
19 the demised premises except with the approval of the
20 authority; provided that prior to the approval, the
21 authority shall have the right to review and approve



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| the rent to be charged to the sublessee; provided        |
|--|
| further that in the case where the lessee is required    |
| to pay rent based on a percentage of its gross           |
| receipts, the receipts of the sublessee shall be         |
| included as part of the lessee's gross receipts;         |
| provided further that the authority shall have the       |
| right to review and, if necessary, revise the rent of    |
| the demised premises based upon the rental rate          |
| charged to the sublessee including the percentage        |
| rent, if applicable, and provided that the rent may      |
| not be revised downward;                                 |
| ) The lease shall be for a specific use or uses and      |
| shall not include waste lands, unless it is              |
| impractical to provide otherwise; and                    |
| ) Mineral and metallic rights and surface and ground     |
| water shall be reserved to the State.                    |
| ) The authority, from time to time, may:                 |
| ) Modify or eliminate any of the restrictions specified  |
| in subsection (a);                                       |
| ) Extend or modify the fixed rental period of the lease; |
| provided that the aggregate of the initial term and      |
|  |

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1 any extension granted shall not exceed sixty-five
2 years; or

3 (3) Extend the term of the lease,

4 to the extent necessary to qualify the lease for mortgage lending or guaranty purposes with any federal mortgage lending 5 agency; to qualify the lessee for any state or private lending 6 7 institution loan, private loan guaranteed by the State, or any loan in which the State and any private lender participates; or 8 9 to amortize the cost of substantial improvements to the demised 10 premises that are paid for by the lessee without institutional 11 financing, the extension being based on the economic life of the 12 improvements as determined by the authority or an independent 13 appraiser; provided that the approval of any extension shall be 14 subject to the following:

15 The demised premises have been used substantially for (1)16 the purpose for which they were originally leased; 17 (2)The aggregate of the initial term and any extension 18 granted shall not be for more than sixty-five years; 19 If a reopening occurs, the rental for any ensuing (3) 20 period shall be the fair market rental at the time of 21 reopening;



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| 1  | (4)        | Any federal or private lending institution shall be   |
|----|------------|---|
| 2  |            | qualified to do business in the State;                |
| 3  | (5)        | Proceeds of any mortgage or loan shall be used solely |
| 4  |            | for the operations or improvements on the demised     |
| 5  |            | premises;   |
| 6  | (6)        | Where improvements are financed by the lessee, the    |
| 7  |            | lessee shall submit receipts of expenditures within a |
| 8  |            | time period specified by the authority, otherwise the |
| 9  |            | lease extension shall be canceled; and                |
| 10 | (7)        | The rules of the authority, setting forth any         |
| 11 |            | additional terms and conditions, which shall ensure   |
| 12 |            | and promote the purposes of the demised lands.        |
| 13 | (c)        | The authority, from time to time, during the term of  |
| 14 | any lease, | , may modify or eliminate any of the restrictions     |
| 15 | specified  | in subsection (a), extend or modify the fixed rental  |
| 16 | period of  | the lease, or extend the term of the lease upon a     |
| 17 | showing of | significant economic hardship directly caused by:     |
| 18 | (1)        | State disaster, pursuant to chapter 209, including    |
| 19 |            | seismic or tidal wave, tsunami, hurricane, volcanic   |
| 20 |            | eruption, typhoon, earthquake, flood, or severe       |
| 21 |            | drought; or   |



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1 (2)A taking of a portion of the area of the lease by 2 government action by eminent domain, withdrawal, or 3 conservation easement; provided that the portion taken 4 shall not be less than ten per cent of the entire 5 leased area unless otherwise approved by the 6 authority; and provided further that the authority 7 determines that the lessee will not be adequately 8 compensated pursuant to the lease provisions. 9 (d) The approval of any extension granted pursuant to 10 subsection (c) shall be subject to the following: 11 (1)The demised premises has been used substantially for 12 the purposes for which they were originally leased; 13 (2)The aggregate of the initial term and any extension 14 granted shall not be for more than fifty-five years; 15 (3)The rental shall not be less than the rental for the 16 preceding term; 17 (4) The rules of the authority, setting forth any 18 additional terms and conditions that shall ensure and 19 promote the purposes of the demised lands; and



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1 (5) The length of the extension shall not exceed a 2 reasonable length of time for the purpose of providing 3 relief and shall in no case exceed five years. 4 S -16 Reservation of rights to prehistoric and historic 5 remains on leased lands. The authority, in leases of lands, 6 shall retain the rights to all prehistoric and historic remains 7 found on those lands. 8 -17 Lands for historic preservation and restoration. S 9 (a) Any law to the contrary notwithstanding, the authority may 10 lease lands for use in historic preservation and restoration 11 projects: 12 (1)Through negotiations; and 13 (2) For a price that shall be determined by the authority. 14 (b) The authority shall adopt rules pursuant to chapter 91 15 to determine what constitutes historic preservation and restoration projects for the purposes of this section; provided 16 17 that no definition or criteria established shall conflict with 18 any federal, state, or county law. 19 (c) All subleases of land disposed of pursuant to this 20 section shall be subject to the approval of the authority.

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1 5 -18 Condemnation of leases. Every lease issued by the 2 authority shall provide that whenever a portion of the public land under lease is condemned for public purposes by the State, 3 any county or city and county, or any other governmental agency 4 5 or subdivision, the rental shall be reduced in proportion to the value of the portion of the premises condemned and the lessee 6 7 shall be entitled to receive from the condemning authority the 8 proportionate value of the lessee's permanent improvements taken 9 in the proportion that it bears to the unexpired term of the 10 lease. The lessee, in the alternative, may remove and relocate 11 the lessee's improvements to the remainder of the lands occupied 12 by the lessee. The foregoing rights of the lessee shall not be 13 exclusive of any other to which the lessee may be entitled by 14 law. Where the portion taken renders the remainder unsuitable 15 for the uses for which the land was leased, the lessee shall 16 have the option to surrender the lessee's lease and be discharged for any further liability therefor; provided that the 17 18 lessee may remove the lessee's permanent improvements within a 19 reasonable period allowed by the authority.

20 § -19 Leases; forfeiture. Upon the violation of any
21 condition or term of any lease to be observed or performed by



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1 the lessee or tenant, the authority, after the notice of default 2 as provided in section -9, and subject to the rights of each 3 holder of record having a security interest as provided in 4 -10, shall terminate the lease or tenancy and take section 5 possession of the leased land, without demand or previous entry 6 and without legal process, together with all improvements placed thereon and shall retain all rent paid in advance as damages for 7 8 the violations.

9 § -20 Expired leases; holdover. Upon expiration of the 10 lease term, if the leased land is not otherwise disposed of, the 11 authority may allow the lessee to continue to hold the land for 12 a period not exceeding one year upon the rent, terms, and 13 conditions as the authority may prescribe.

14 Upon expiration of the one-year extension, if the authority 15 has not yet decided upon the re-lease of the land or reservation 16 for other purposes, the authority may issue a temporary permit 17 to the lessee, subject to the rent and other terms and 18 conditions as the authority may prescribe.

19 § -21 Lessees within the last ten years of their lease
20 terms; requests for interest. (a) Notwithstanding any other
21 law to the contrary, and except as otherwise provided in section



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1 -15(b) and (c), a lessee of public land that is classified as 2 conservation lands pursuant to section 171-10, and that is 3 subject to the management, administration, or control of the 4 authority, during the last ten years of the term of the original 5 lease, may submit a written request to the authority to initiate 6 a request for interest process as provided in this section. 7 Within one hundred eighty days of a lessee's written (b) 8 request to initiate a request for interest, the authority shall: 9 Appraise the value of the land and any improvements to (1)10 the land that existed as of the date of the written 11 request pursuant to section -8(a) and require the 12 awardee of a new lease executed pursuant to this 13 section to reimburse the department for the appraisal; 14 and 15 (2)Publish a request for interest and request for 16 qualifications notice inviting persons to express 17 their interest in leasing the land and their 18 qualifications as potential lessees and describing any 19 improvements to the land that exist as of the date of 20 the written request. The notice shall be given at

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| 1  |     | leas | t once statewide and at least once in the county   |
|----|-----|------|--|
| 2  |     | wher | e the land is located and shall contain:           |
| 3  |     | (A)  | The qualifications required of eligible lessees;   |
| 4  |     | (B)  | A general description of the land, including the   |
| 5  |     |      | address and tax map key, and of any improvements   |
| 6  |     |      | to the land that existed as of the date of the     |
| 7  |     |      | written request;                                   |
| 8  |     | (C)  | That the land to be leased is classified as        |
| 9  | -)  |      | conservation lands pursuant to section 171-10;     |
| 10 |     | (D)  | The appraised value of the land and of any         |
| 11 |     |      | improvements to the land that existed as of the    |
| 12 |     |      | date of the written request;                       |
| 13 |     | (E)  | The closing date and manner by which a person      |
| 14 |     |      | shall indicate interest and submit a statement of  |
| 15 |     |      | qualifications; and                                |
| 16 |     | (F)  | Notice that a business plan is a prerequisite to   |
| 17 |     |      | participate at time of auction or direct           |
| 18 |     |      | negotiation, if applicable, and shall be made a    |
| 19 |     |      | term of the lease.                                 |
| 20 | (c) | With | in ninety days after the closing date specified in |

21  $\,$  the notice, the authority shall determine if any persons have



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qualified under the terms of the request for qualifications and
 shall notify all persons who expressed interest as to whether
 they qualified. The authority shall also notify the current
 lessee as to whether any other persons qualified.

5 (d) The authority shall enter into direct negotiation with
6 the current lessee immediately upon notification if no other
7 qualified persons have expressed interest in the property.

8 (e) If the land is not leased pursuant to subsection (d) 9 within three years before the termination date of the lease, the 10 authority shall dispose of the land by public auction as 11 provided in this chapter; provided that the authority has 12 determined that at least one person, who:

13 (1) Is not the current lessee;

14 (2) Has been determined by the authority to be qualified;15 and

16 (3) Has submitted a business plan prior to the date of the17 auction,

18 has expressed interest in leasing the land and any improvements 19 to the land that existed as of the date of the written request 20 in subsection (a). The auction upset price shall be the greater 21 of the current rent or the fair market rent pursuant to

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1 section -8(d) based upon the appraised value of the land and 2 any improvements to the land that existed as of the date of the 3 written request.

The current lessee may bid on a new lease at the public auction. The current lessee's business plan shall be deemed acceptable to the authority and the current lessee shall not be required to submit a new business plan; provided that the current lessee is in compliance with the terms of the existing lease and has submitted a business plan prior to the date of the auction.

(f) Lease terms for any new lease executed pursuant to
this section shall be determined by the authority and shall:
(1) Not commence prior to the termination of the current

14 lease;

15 (2) Establish the rent at no less than the greater of the
16 current rent or the fair market rent pursuant to
17 section -8(d) based upon the appraised value of the
18 land and any improvements to the land that existed as
19 of the date of the written request;

20 (3) If the lease is awarded after public auction to any
21 person other than the current lessee, include a



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1 premium equal to the value of any improvements to the 2 land made after the date of the written request in 3 subsection (a), which shall be paid to the current 4 lessee prior to transfer of the land and improvements 5 to the new lessee; and 6 (4)Include the previously submitted business plan. 7 Unless specifically required to do so by the (q) 8 authority, the current lessee shall not be required to remove 9 improvements or restore the land to a vacant condition at the 10 expiration of the lease; provided that, without prejudice to any 11 other rights or remedies that the current lessee or State may 12 have, this subsection shall not alter any obligation of a 13 current lessee to indemnify, defend, and hold the State harmless 14 from any claims regarding pollution or contamination of the land 15 with potentially hazardous substances. 16 (h) This section shall not apply to:

17 (1) Any lessee who is in arrears in the payment of taxes,
18 rents, or other obligations owing to the State or any
19 county or who has had, during the five years preceding
20 the anticipated disposition of the applicable land at
21 a public auction or direct negotiation, a sale, lease,



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1 license, permit, or easement covering other Mauna Kea 2 lands canceled for failure to satisfy the terms and 3 conditions thereof; or 4 (2)Any lease that is subject to cancellation for failure 5 to satisfy the terms or conditions of a lease, 6 license, permit, or easement covering Mauna Kea lands. 7 As used in this section, "improvements" means all (i) 8 physical improvements constructed, owned, or constructed and 9 owned by the lessee during the lease term and shall exclude all 10 infrastructure constructed, owned, or constructed and owned by 11 third parties, such as water and sewer pipes, electricity and 12 telephone lines and cables, or other infrastructure. 13 8 -22 Lease to eleemosynary organizations. The 14 authority may lease, at a nominal consideration, by direct 15 negotiation and without recourse to public auction, public lands 16 to an eleemosynary organization that has been certified to be 17 tax exempt under section 501(c)(1) or 501(c)(3) of the Internal 18 Revenue Code of 1986, as amended. The lands shall be used by 19 the eleemosynary organizations for the purposes for which their 20 charter was issued and for which they were certified by the 21 Internal Revenue Service.

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1 5 -23 Land license. The authority may issue land 2 licenses affecting Mauna Kea lands for a period not exceeding 3 twenty years. No land license shall be disposed of except at 4 public auction as provided in this chapter; provided that the 5 authority, after publication of notice in accordance with 6 section -7, may dispose of a land license by negotiation, 7 without recourse to public auction, if it determines that the 8 public interest will best be served thereby. The disposition of 9 a land license by negotiation shall be upon such terms and 10 conditions as the authority determines shall best serve the 11 public interest.

12 S -24 Permits. Notwithstanding any other law to the 13 contrary, the authority may issue permits for the temporary 14 occupancy of state lands or an interest therein on a month-to-15 month basis by direct negotiation without public auction, under 16 conditions and rent that will serve the best interests of the 17 State, subject, however, to those restrictions as may from time 18 to time be expressly imposed by the authority. A permit on a 19 month-to-month basis may continue for a period not to exceed one 20 year from the date of its issuance; provided that the authority

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may allow the permit to continue on a month-to-month basis for
 additional one-year periods.

S -25 Contract or license for concessions or concession
4 space. The authority, subject to chapter 102, may dispose of
5 concessions, as defined in chapter 102, and shall enter into
6 contracts or issue licenses for those concessions; provided that
7 the duration of the contract or license shall be related to the
8 investment required, but in no event to exceed fifteen years.

9 S -26 Minerals and water rights. Except as provided in 10 this section, the right to any mineral or surface or ground 11 water shall not be included in any lease, agreement, or sale, 12 this right being reserved to the State; provided that the 13 authority may make provisions in the lease, agreement, or sale, 14 for the payment of just compensation to the surface owner for 15 improvements taken as a condition precedent to the exercise by 16 the State of any reserved rights to enter, sever, and remove 17 minerals or to capture, divert, or impound water.

18 § -27 Disposition by negotiation. A lease of Mauna Kea
19 lands may be disposed of through negotiation upon a finding by
20 the authority that the public interest demands it.

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| 1  | Afte      | r a determination is made to negotiate the disposition |
|----|-----------|--|
| 2  | of a leas | e, the authority shall:                                |
| 3  | (1)       | Give public notice as in public auction, in accordance |
| 4  |           | with the procedure set forth in section $-7(a)$ , of   |
| 5  |           | its intention to lease Mauna Kea lands through         |
| 6  |           | negotiation setting forth the minimum conditions       |
| 7  |           | thereunder, the use for which the land will be leased. |
| 8  |           | Any person interested in securing the lease shall file |
| 9  |           | an application with the authority not later than       |
| 10 |           | forty-five days after the first publication of the     |
| 11 |           | notice;  |
| 12 | (2)       | Establish reasonable criteria for the selection of the |
| 13 |           | lessee; provided that where the intended use of the    |
| 14 |           | land is agriculture, the department of agriculture     |
| 15 |           | shall establish the criteria; and                      |
| 16 | (3)       | Determine the applicants who meet the criteria for     |
| 17 |           | selection set by the authority or the department of    |
| 18 |           | agriculture, as the case may be, and notify all        |
| 19 |           | applicants of its determination. Any applicant may     |
| 20 |           | examine the basis of the determination, which shall be |
| 21 |           | in writing, to ascertain whether or not the conditions |



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1 and criteria established by the authority or the 2 department of agriculture were followed; provided that 3 if any applicant does not notify the authority of the 4 applicant's objections, and the grounds therefor, in 5 writing, within twenty days of the receipt of the 6 notice, the applicant shall be barred from proceeding 7 to seek legal remedy for any alleged failure of the 8 authority to follow the conditions and criteria. 9 If only one applicant meets the criteria for selection of 10 the lessee, the authority, after notice as provided in paragraph 11 (3) may dispose of the lease by negotiation.

12 If two or more applicants meet the criteria for the 13 selection of the lessee, the authority shall select the lessee 14 who submits the highest offer contained in a sealed bid 15 deposited with the authority.

16 § -28 Covenants against discrimination. The authority
17 shall provide in every deed, lease, agreement, license, or
18 permit that the use and enjoyment of the premises being granted
19 shall not be in support of any policy that discriminates against
20 anyone based upon race, creed, color, national origin, sex, or a
21 physical disability. The authority shall not dispose of any



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Mauna Kea lands to any person who practices discrimination based 1 upon race, creed, color, national origin, sex, or a physical 2 3 disability. As used in this section, "physical disability" means a physical impairment that substantially limits one or 4 more of a person's major life activities. 5 -29 Disposition to governments, governmental agencies, 6 8 public utilities, and renewable energy producers. (a) 7 Notwithstanding any limitations to the contrary, the authority, 8 9 without public auction, may: 10 (1) Lease Mauna Kea lands to governments, agencies, public utilities, and renewable energy producers for terms up 11 to, but not in excess of, sixty-five years at rental 12 and other terms and conditions as the authority may 13 14 determine; (2) Grant licenses and easements to governments, agencies, 15 public utilities, and renewable energy producers on 16 terms and conditions as the authority may determine 17 for road, pipeline, utility, communication cable, and 18

20 (3) Execute quitclaim deeds to governments and agencies,
21 with or without consideration, releasing any claim to



other rights-of-way;

19

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1 the property involved made upon disputed legal or 2 equitable grounds, whenever the authority in its 3 discretion deems it beneficial to the State; and 4 (4)Waive or modify building and other requirements and 5 conditions contained in deeds, sales agreements, or 6 leases held by governments and agencies whenever such 7 waiver or modification is beneficial to the State. 8 (b) In any disposition to public utilities under this 9 section: 10 The lease rental shall be no less than the value (1)11 determined in accordance with section -8(b);provided that the lease rental may be on a nominal 12 13 basis if the authority finds that an easement is 14 required in connection with a government project; 15 (2)Disposition shall not be made to any public utility if 16 the utility has suitable lands of its own; and 17 The disposition to public utilities shall be subject (3)18 to disapproval by the legislature by two-thirds vote 19 of either the senate or the house of representatives 20 or by majority vote of both, in any regular or special 21 session next following the date of the disposition.



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1 (c) For the purposes of this section: 2 "Public utility" shall have the same meaning as in section 3 269-1. 4 "Renewable energy producer" means: 5 (1) Any producer or developer of electrical or thermal 6 energy produced by wind, solar energy, hydropower, 7 geothermal resources, landfill gas, waste-to-energy, 8 ocean thermal energy conversion, cold seawater, wave 9 energy, biomass, including municipal solid waste, 10 biofuels or fuels derived from organic sources, 11 hydrogen fuels derived primarily from renewable 12 energy, or fuel cells where the fuel is derived 13 primarily from renewable sources that sell all of the 14 net power produced from the demised premises to an 15 electric utility company regulated under chapter 269 16 or that sells all of the thermal energy it produces to 17 customers of district cooling systems; provided that 18 up to twenty-five per cent of the power produced by a 19 renewable energy producer and sold to the utility or 20 to district cooling system customers may be derived 21 from fossil fuels; or



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1 (2)Any grower or producer of plant or animal materials 2 used primarily for the production of biofuels or other 3 fuels; provided that nothing herein is intended to 4 prevent the waste product or by-product of the plant 5 or animal material grown or produced for the 6 production of biofuel, other fuels, electrical energy, 7 or thermal energy, from being used for other useful 8 purposes.

9 Telescopes; leases; impacts. In addition to any S -30 10 other requirements under this chapter and other applicable law, 11 and notwithstanding the eleemosynary, governmental, or public 12 utility natures of any lessee, the authority shall take into 13 account, in issuing any lease pertaining to telescopes on Mauna 14 Kea lands, the value of land use, telescope viewing time, and 15 impacts to natural and cultural resources and traditional and 16 customary cultural practices, including the costs of preventing 17 and remediating any anticipated and potential unanticipated impacts to land, natural and cultural resources, and cultural 18 19 sites that may result both directly and indirectly from those 20 land uses as a result of telescope-related activities.



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§ -31 Telescopes; limitations. No more than thirteen
 telescopes shall be present on Mauna Kea lands at any time;
 provided that no more than nine telescopes shall be present on
 Mauna Kea lands by January 1, 2028.

S -32 Footprint; limitations. At no time shall the
total combined footprint of all improvements, including
buildings, roads, telescopes, decommissioned telescope
structures, and all infrastructure, on Mauna Kea lands exceed
the total developed footprint of improvements, including
buildings, roads, telescopes, and all infrastructure present on
Mauna Kea as of December 31, 2031.

12 S -33 Rules; management, stewardship, and protection of 13 cultural resources. The authority shall expedite the establishment of rules pursuant to chapter 91 on the management, 14 15 stewardship, and protection of lands and cultural resources, and 16 any fees and fee waivers under its jurisdiction; provided that 17 the authority shall consult with the office of Hawaiian affairs 18 to ensure that any rules shall not affect any right, customarily 19 and traditionally exercised for subsistence, cultural, and 20 religious purposes, by descendants of native Hawaiians who 21 inhabited the Hawaiian Islands prior to 1778, subject to the

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| 1  | right of the State to regulate such rights. Rules adopted under |
|----|---|
| 2  | this section shall follow existing law, rules, ordinances, and  |
| 3  | regulations as closely as is consistent with standards to meet  |
| 4  | minimum requirements of good design, health, safety, and        |
| 5  | coordinated development; provided that the rules, at a minimum, |
| 6  | shall require that:   |
| 7  | (1) A nominal fee shall be charged for all passenger and        |
| 8  | commercial vehicles traveling to the Hale Pohaku                |
| 9  | Visitor Center; and   |
| 10 | (2) No privately owned vehicles shall travel to the Mauna       |
| 11 | Kea summit unless they are:                                     |
| 12 | (A) Four-wheel-drive vehicles; and                              |
| 13 | (B) Used to provide access for customarily and                  |
| 14 | traditionally exercised practices protected under               |
| 15 | article XII, section 7, of the Hawaii State                     |
| 16 | Constitution or as otherwise provided by permit                 |
| 17 | or rule;  |
| 18 | provided that no fee shall be charged for a private             |
| 19 | vehicle to travel to the Mauna Kea summit for purposes          |
| 20 | of providing access for customarily and traditionally           |

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1 exercised practices protected under article XII, 2 section 7, of the Hawaii State Constitution. 3 On the effective date of the initial rules adopted pursuant 4 to this section, all rules pertaining to Mauna Kea lands, 5 established by the University of Hawaii, including but not 6 limited to the office of Mauna Kea management, Mauna Kea 7 management authority board, and Kahu Ku Mauna, shall be void. 8 The authority shall coordinate and enter into memoranda of 9 agreement as necessary with other government entities, including 10 the office of Hawaiian affairs, department of Hawaiian home 11 lands, department of land and natural resources, department of 12 transportation, and county of Hawaii with regard to the use and 13 maintenance of the portions of the Mauna Kea summit access road 14 that traverse lands controlled by those entities. 15 -34 Project approval authorization. The authority is S 16 authorized to approve or disapprove all projects, including but 17 not limited to design review, on all Mauna Kea lands; provided

19 rules.

18

20 § -35 Mauna Kea management revolving fund. There is
21 established the Mauna Kea management revolving fund into which

that all land use complies with relevant conservation district

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all receipts and revenues of the authority shall be deposited.
 Proceeds from the fund shall be used for administration, capital
 improvement projects, and other purposes pursuant to this
 chapter.

5 -36 Expenditures of revolving funds under the S 6 authority exempt from appropriation and allotment. Except as to 7 administrative expenditures, and except as otherwise provided by 8 law, expenditures from any revolving fund administered by the authority may be made by the authority without appropriation or 9 10 allotment of the legislature; provided that no expenditure shall 11 be made from and no obligation shall be incurred against any 12 revolving fund in excess of the amount standing to the credit of 13 the fund or for any purpose for which the fund may not lawfully 14 be expended. Nothing in sections 37-31 to 37-41 shall require 15 the proceeds of any revolving fund administered by the authority 16 to be reappropriated annually.

17 § -37 Transfer and renegotiation of leases, subleases,
18 easements, permits, and licenses. All leases, subleases,
19 easements, permits, and licenses executed by the University of
20 Hawaii or department of land and natural resources, and
21 pertaining to Mauna Kea, shall be transferred to the authority

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1 and shall be subject to renegotiation upon mutual agreement of 2 the parties. The authority shall renegotiate subleases pertaining to telescopes on Mauna Kea in accordance with section 3 4 171-17 and take into account the value of land use and telescope 5 viewing time. In addition, any future leases shall include, at 6 a minimum, a stewardship component, community benefits package, 7 and conversion of the applicable facility to a self-contained, 8 zero-discharge waste system.

9 S -38 Managed access. The authority shall develop a 10 visitor center along the Mauna Kea summit access road that shall 11 include, at a minimum, a kiosk entrance to manage access to 12 Mauna Kea. All visitors who travel beyond the visitor center 13 shall be required to register at the visitor center, pay applicable fees there, and receive orientation regarding safety, 14 15 environmental protection, and cultural traditions and 16 sensitivities. Except as provided under section -33 or this 17 section, all visitors who travel to the summit shall be required to use a shuttle service established by the authority. 18 The 19 authority shall establish a policy that allows reasonable access without an entrance fee to visitors seeking to exercise Native 20

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Hawaiian traditional and customary practices protected under 2 article XII, section 7, of the Hawaii State Constitution. 3 S -39 Mauna Kea management authority; police powers. 4 (a) The authority shall have police powers and may appoint and 5 commission enforcement officers, who shall be known as rangers. 6 Persons appointed and commissioned under this section shall have 7 and may exercise all of the powers and authority of a police 8 officer, including the power of arrest, and may enforce all 9 state laws and rules and county ordinances and rules within all 10 Mauna Kea lands; provided that those powers shall remain in 11 force and effect only while in actual performance of their 12 duties, which shall include off-duty employment when that 13 employment is for other state departments or agencies. These 14 enforcement officers shall consist of personnel whose primary 15 duty will be the protection of the health, safety, and welfare 16 of visitors to Mauna Kea, the enforcement of laws related to 17 crimes against property rights under parts II and III of chapter 18 708, protection of natural resources, and the enforcement of 19 other laws and rules as necessary.

20 An enforcement officer, upon arresting any person, may (b) 21 immediately take the person arrested to a police station or

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1 before a district judge, or take the name, address, and the 2 number of the licenses or permits, if any, of the person, and 3 note the violation of the law or rule by the person, and issue 4 the person a summons or citation, printed in the form described 5 in section -41, warning the person to appear and to answer to 6 the charge against the person at a certain place and time within 7 seven days after the arrest. Any person failing to obey a 8 summons issued pursuant to this section shall be subject to 9 section -42.

10 § -40 Enforcement; rangers; powers; duties. (a)
11 Pursuant to section -3(f)(1), the authority shall establish a
12 unit of rangers who shall enforce laws and rules within Mauna
13 Kea lands.

(b) Rangers employed pursuant to this section shall be lawenforcement officers who shall:

16 (1) Be responsible for the health, safety, and welfare of
17 visitors to Mauna Kea, including responding to
18 emergencies of a medical or law enforcement nature,
19 enforcement of laws related to crimes against property
20 rights under parts II and III of chapter 708, the

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| 1  |     | protection of natural resources, and the enforcement   |
|----|-----|--|
| 2  |     | of other laws and rules as necessary;                  |
| 3  | (2) | Investigate complaints, gather evidence, conduct       |
| 4  |     | investigations, and conduct field observations and     |
| 5  |     | inspections as required or assigned;                   |
| 6  | (3) | Cooperate with enforcement authorities of the State,   |
| 7  |     | counties, and the federal government in the            |
| 8  |     | development of programs and mutual aid agreements for  |
| 9  |     | the protection of Mauna Kea and the enforcement of     |
| 10 |     | applicable laws;                                       |
| 11 | (4) | Cooperate with established search and rescue agencies  |
| 12 |     | of the State, counties, and the federal government in  |
| 13 |     | developing plans and programs and mutual aid           |
| 14 |     | agreements for search and rescue activities within the |
| 15 |     | State;   |
| 16 | (5) | Check and verify all leases, permits, and licenses     |
| 17 |     | issued by the authority;                               |
| 18 | (6) | Enforce the laws relating to firearms, ammunition, and |
| 19 |     | dangerous weapons contained in chapter 134; and        |
| 20 | (7) | Carry out other duties and responsibilities as the     |
| 21 |     | authority shall direct.                                |



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1 (C) The authority may establish memoranda of agreement 2 with: 3 (1)The department of land and natural resources to 4 provide assistance from the division of conservation 5 and resources enforcement with applicable training and 6 certification of rangers; and 7 (2) The county of Hawaii police department to provide 8 assistance such as access to holding cells and 9 fingerprinting and other processing of persons 10 detained by rangers; 11 provided that the memoranda may provide for reimbursement by the 12 authority for applicable expenses. 13 Rangers may also serve as interpretive officers who (d) provide information to Mauna Kea visitors. 14 15 § -41 Summons or citation. There shall be a form of 16 summons or citation for use in citing violators for violations that do not mandate the physical arrest of the violators. 17 The 18 summons or citation shall be printed in a form commensurate with 19 the form of other summons or citation used in modern methods of 20 arrest and shall be so designed to include all necessary 21 information to make it valid and legal within the laws and rules

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of the State. The form and content of the summons or citation
 shall be adopted or prescribed by the district courts.

In every case where a summons or citation is issued, the original of the same shall be given to the violator; provided that the district courts may prescribe the issuance to the violator of a carbon copy of the summons or citation and provide for the disposition of the original and any other copies. Every summons or citation shall be consecutively numbered and each carbon copy shall bear the number of its respective original.

10 S -42 Failure to obey a summons. (a) Any person who fails to appear at the place and within the time specified in 11 12 the summons or citation issued by the officers or their agents 13 or subordinates, upon that person's arrest, shall be quilty of a 14 petty misdemeanor and, upon conviction, shall be fined not more 15 than \$500 or be imprisoned not more than thirty days, or both. 16 (b) If any person fails to comply with a summons or 17 citation issued, or if any person fails or refuses to deposit 18 bail as required and within the time permitted, the officers 19 shall cause a complaint to be entered against the person and 20 secure the issuance of a warrant for the person's arrest.

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(c) When a complaint is made to any prosecuting officer of
 the violation, the officer who issued the summons or citation
 shall subscribe to it under oath administered by another
 official or officials of the authority whose names have been
 submitted to the prosecuting officer and who have been
 designated by the executive director of the authority to
 administer the same.

8 S -43 Search and seizure; forfeiture of property. (a) 9 Any law enforcement officer or agent of the authority upon whom 10 the authority has conferred powers of law enforcement officers, 11 shall have the authority to conduct searches on probable cause 12 as provided by law and to seize any equipment, article, 13 instrument, aircraft, vehicle, vessel, business records, or 14 natural resource used or taken in violation of the laws of the 15 State, or any rules adopted thereunder. For purposes of this 16 section, "natural resource" includes any archaeological 17 artifacts, minerals, any aquatic life or wildlife or parts 18 thereof, including their eggs, and any land plants or parts 19 thereof, including seeds.

20 (b) Any equipment, article, instrument, aircraft, vehicle,
21 vessel, business records, or natural resource seized is subject



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1 to forfeiture pursuant to chapter 712A. Unless otherwise 2 directed by the environmental court pursuant to chapter 712A, 3 any item, other than a natural resource, seized shall be ordered 4 forfeited to the State for disposition as determined by the 5 department, or may be destroyed, or may be kept and retained and 6 utilized by the authority or any other state agency. If not 7 needed or required by the authority or other state agency, the 8 forfeited items shall be disposed of as provided by chapter 9 712A. Notwithstanding any other law to the contrary, any live 10 natural resource seized may be immediately returned to its 11 natural environment or suitable habitat or may be disposed of as 12 determined by the authority; provided that if the natural 13 resource disposed of was unlawfully seized, the authority shall 14 be liable to the owner for the fair market value of the items 15 disposed of.

16 (c) The authority shall compile a list of all equipment,
17 articles, instruments, aircraft, vehicles, vessels, or any
18 natural resource forfeited as provided in this section and shall
19 publish the list in its annual report.

20 (d) Notwithstanding any other law to the contrary, the21 authority may sell or take actions to cause the sale of any

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1 perishable natural resource that is seized to prevent the waste 2 of the natural resource and to ensure the economic value of the 3 natural resource; provided that the authority may not sell or 4 cause the sale of any threatened or endangered species or any 5 other species whose sale is prohibited by law. The authority 6 may require the person or persons who took the natural resources 7 to sell the seized natural resources at fair market value. The 8 authority may require any person purchasing any seized natural 9 resource to deliver the proceeds of the sale to the authority or its authorized representative. Any person who refuses to sell 10 11 the seized natural resources at fair market value or any person 12 who fails to deliver the proceeds of the sale, as directed by 13 the authority, shall be in violation of this subsection and 14 punishable as provided by law. The authority shall deposit and 15 keep the proceeds of the sale in an interest-bearing account 16 until the suspected violation is settled between the person or 17 persons who took the natural resource, consignee or consignees, 18 if any, and the authority. Should a settlement not be reached, 19 the authority shall submit the proceeds of the sale to the 20 environmental court. The proceeds of the sale, after deducting 21 any reasonable costs of the sale incurred by the authority,



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shall be subject to any administrative or judicial proceedings
 in the same manner as the seized natural resource would have
 been, including an action in rem for the forfeiture of the
 proceeds. Seizure and sale of a natural resource is without
 prejudice to any other remedy or sanction authorized by law.

6 S -44 Fees and surcharges. (a) The authority shall establish an annual fee for each visitor to Mauna Kea; provided 7 8 that the fee shall be waived for visitors who access Mauna Kea 9 to exercise their customary and traditional practice rights 10 under article XII, section 7, of the Hawaii State Constitution; 11 provided further that the authority shall establish rules for 12 fee waivers, pursuant to section -33.

(b) The authority shall establish an annual fee for
commercial tour operators to access Mauna Kea, the total annual
net revenues of which shall be calculated to approximately equal
the authority's annual operations and maintenance costs.

17 (c) The authority may establish a commercial tour fee
18 surcharge, net revenues of which shall be used for cultural and
19 educational programs related to activities on Mauna Kea.



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(d) The University of Hawaii shall not be exempt from any
 fee that is associated with access to Mauna Kea and established
 pursuant to this chapter.

4 (e) For the purposes of this section, "net revenues" means
5 the revenues realized by the authority after the amount
6 collected and owed to the office of Hawaiian affairs pursuant to
7 section -45 has been deducted.

8 S -45 Revenue to be shared with the office of Hawaiian 9 affairs. The authority and the University of Hawaii shall 10 transfer to the office of Hawaiian affairs twenty per cent of 11 all receipts collected by the authority or university as a 12 result of lease rent, fees, penalties, commercial activities, 13 technology transfers, monetization of intellectual properties or 14 discoveries, and other revenue sources; provided that any funds 15 transferred to the office of Hawaiian affairs pursuant to this 16 section shall be deemed income and proceeds from the use of 17 public land trust lands by the authority and university to be 18 expended by the office of Hawaiian affairs under section 19 10-13.5.



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1 S -46 Exemption from taxation. The authority shall not be required to pay assessments levied by any county, nor shall 2 the authority be required to pay state taxes of any kind. 3 -47 Assistance by state and county agencies. Any 4 S 5 state or county agency may render services upon request of the 6 authority. 7 -48 Annual report. No later than twenty days prior to S 8 the convening of each regular session, the authority shall 9 submit to the governor and the legislature, a complete and 10 detailed report of its activities, including but not limited to: The status of transfers of title to lands from the 11 (1) 12 department of land and natural resources to the 13 authority pursuant to part II of this Act; (2) The status of all leases and subleases of Mauna Kea 14 15 lands; and (3) An accounting of all revenue collected and expended by 16 17 the authority. 18 The report submitted prior to the 2019 session shall 19 include the status of rulemaking pursuant to section -33. 20 -49 Court proceedings; preferences; venue. (a) Any S 21 action or proceeding to which the authority, the State, or a

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1 county may be a party, in which any question arises as to the 2 validity of this chapter or any portion of this chapter, shall 3 be brought in the circuit court of the circuit where the case or 4 controversy arises, which court is hereby vested with original 5 jurisdiction over the action or proceeding. The action or 6 proceeding shall be heard and determined in preference to all 7 other civil cases pending therein except election cases, 8 irrespective of position on the calendar. Upon application of 9 counsel to the authority, the same preference shall be granted 10 in any action or proceeding questioning the validity of this 11 chapter in which the authority may be allowed to intervene.

12 (b) Notwithstanding any provision of law to the contrary,
13 declaratory relief may be obtained for an action or proceeding
14 under this section.

(c) Any party aggrieved by the decision of the circuit
court may appeal in accordance with part I of chapter 641 and
the appeal shall be given priority.

18 § -50 Contested cases; conservation district use. (a)
19 Notwithstanding any law to the contrary, conservation district
20 rules applicability shall maintain contested case opportunities
21 in the conversation district use application process.



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(b) Notwithstanding any law to the contrary, any decisions
 by the authority, insofar as they impact constitutional rights,
 including but not limited to Native Hawaiian traditional and
 customary rights and right to a healthful environment, shall
 require the granting of contested case hearings.

6 § -51 Issuance of bonds. The director of finance may,
7 from time to time, issue general obligation bonds pursuant to
8 chapter 39 in amounts authorized by the legislature, for the
9 purposes of this chapter.

10 S -52 General administrative penalties. (a) Except as 11 otherwise provided by law, the authority or its authorized 12 representative by proper delegation may set, charge, and collect 13 administrative fines or bring legal action to recover 14 administrative fees and costs as documented by receipts or 15 affidavit, including attorneys' fees and costs; or bring legal 16 action to recover administrative fines, fees, and costs, 17 including attorneys' fees and costs, or payment for damages 18 resulting from a violation of this chapter or any rule adopted 19 pursuant to this chapter. The administrative fines shall be as 20 follows:

21

(1) For a first violation, a fine of not more than \$2,500;



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(2) For a second violation within five years of a previous
 violation, a fine of not more than \$5,000; and
 (3) For a third or subsequent violation within five years
 of the last violation, a fine of not more than
 \$10,000.

6 (b) Any criminal action against a person for any violation 7 of this chapter or any rule adopted pursuant to this chapter 8 shall not preclude the State from pursuing civil legal action 9 against that person. Any civil legal action against a person to 10 recover administrative fines and costs for any violation of this 11 chapter or any rule adopted pursuant to this chapter shall not 12 preclude the State from pursuing any criminal action against 13 that person. Each day of each violation shall constitute a 14 separate offense.

15 § -53 Violations and penalties. (a) The authority may
16 set, charge, and collect reasonable fines for a violation of
17 this chapter or any rule adopted pursuant to chapter 91.

(b) Any person found guilty of a violation of this chapter
or any rules adopted thereunder shall be guilty of a petty
misdemeanor and shall be punished as follows:

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1 (1)For a first offense, by a mandatory fine of not less 2 than \$500 or imprisonment of not more than thirty days 3 or both; For a second offense within five years of a previous 4 (2) 5 conviction under this section, by a mandatory fine of 6 not less than \$1,000 or imprisonment of not more than 7 thirty days or both; and 8 (3) For a third or subsequent offense within five years of 9 two prior convictions under this section, by a 10 mandatory fine of not less than \$2,000 or imprisonment 11 of not more than thirty days or both. 12 (c) Any criminal action against a person for any violation 13 under this section shall not preclude the State from pursuing 14 civil legal action to recover administrative fines and costs 15 against the person. Any civil legal action against a person to 16 recover administrative fines and costs for any violation of this 17 chapter or any rules adopted thereunder shall not preclude the 18 State from pursuing any criminal action against that person 19 pursuant to this section.



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(d) The authority may maintain an action for an injunction
 to restrain any violation of this chapter and may take any other
 lawful action to prevent or remedy any violation.

4 (e) The continuance of a violation after conviction shall
5 be deemed a new offense for each day of a violation's
6 continuance."

7 SECTION 2. Section 171-2, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "§171-2 Definition of public lands. "Public lands" means 10 all lands or interest therein in the State classed as government 11 or crown lands previous to August 15, 1895, or acquired or 12 reserved by the government upon or subsequent to that date by 13 purchase, exchange, escheat, or the exercise of the right of 14 eminent domain, or in any other manner; including lands accreted 15 after May 20, 2003, and not otherwise awarded, submerged lands, 16 and lands beneath tidal waters that are suitable for 17 reclamation, together with reclaimed lands that have been given 18 the status of public lands under this chapter, except:

19 (1) Lands designated in section 203 of the Hawaiian Homes
20 Commission Act, 1920, as amended;



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| 1  | (2) | Lands set aside pursuant to law for the use of the     |
|----|-----|--|
| 2  |     | United States;   |
| 3  | (3) | Lands being used for roads and streets;                |
| 4  | (4) | Lands to which the United States relinquished the      |
| 5  |     | absolute fee and ownership under section 91 of the     |
| 6  |     | Hawaiian Organic Act prior to the admission of Hawaii  |
| 7  |     | as a state of the United States unless subsequently    |
| 8  |     | placed under the control of the board of land and      |
| 9  |     | natural resources and given the status of public lands |
| 10 |     | in accordance with the state constitution, the         |
| 11 |     | Hawaiian Homes Commission Act, 1920, as amended, or    |
| 12 |     | other laws;  |
| 13 | (5) | Lands to which the University of Hawaii holds title;   |
| 14 | (6) | Lands to which the Hawaii housing finance and          |
| 15 |     | development corporation in its corporate capacity      |
| 16 |     | holds title;   |
| 17 | (7) | Lands to which the Hawaii community development        |
| 18 |     | authority in its corporate capacity holds title;       |
| 19 | (8) | Lands to which the department of agriculture holds     |
| 20 |     | title by way of foreclosure, voluntary surrender, or   |

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| 1  |      | otherwise, to recover moneys loaned or to recover      |
|----|------|--|
| 2  |      | debts otherwise owed the department under chapter 167; |
| 3  | (9)  | Lands that are set aside by the governor to the Aloha  |
| 4  |      | Tower development corporation; lands leased to the     |
| 5  |      | Aloha Tower development corporation by any department  |
| 6  |      | or agency of the State; or lands to which the Aloha    |
| 7  |      | Tower development corporation holds title in its       |
| 8  |      | corporate capacity;                                    |
| 9  | (10) | Lands that are set aside by the governor to the        |
| 10 |      | agribusiness development corporation; lands leased to  |
| 11 |      | the agribusiness development corporation by any        |
| 12 |      | department or agency of the State; or lands to which   |
| 13 |      | the agribusiness development corporation in its        |
| 14 |      | corporate capacity holds title; [ <del>and</del> ]     |
| 15 | (11) | Lands to which the Hawaii technology development       |
| 16 |      | corporation in its corporate capacity holds title; and |
| 17 | (12) | Lands to which the Mauna Kea management authority      |
| 18 |      | holds title, that the authority controls by lease from |
| 19 |      | any state department or agency, or that are designated |
| 20 |      | by the governor under section 171-11 for management by |
| 21 |      | the authority;   |



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| 1  | provided that, except as otherwise limited under federal law and    |
|----|---|
| 2  | except for state land used as an airport as defined in section      |
| 3  | 262-1, public lands shall include the air rights over any           |
| 4  | portion of state land upon which a county mass transit project      |
| 5  | is developed after July 11, 2005."                                  |
| 6  | SECTION 3. Chapter 304A, part IV, subpart O, is repealed.           |
| 7  | SECTION 4. Section 304A-2170, Hawaii Revised Statutes, is           |
| 8  | repealed.   |
| 9  | [" <del>[§304A-2170] Mauna Kea lands management special fund.</del> |
| 10 | (a) There is established the Mauna Kea lands management special     |
| 11 | fund, into which shall be deposited:                                |
| 12 | (1) Appropriations by the legislature;                              |
| 13 | (2) All net rents from leases, licenses, and permits,               |
| 14 | including fees and charges for the use of land and                  |
| 15 | facilities within the Mauna Kea lands;                              |
| 16 | (3) All moneys collected for violations of subpart O of             |
| 17 | <del>part IV;-and</del>   |
| 18 | (4) Interest earned or accrued on moneys in the special             |
| 19 | fund.   |
| 20 | (b) The proceeds of the special fund shall be used for:             |

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#### S.B. NO. 3090 S.D. 1

| 1  | <del>(1)</del>       | Managing the Mauna Kea lands, including maintenance,          |
|----|----------------------|---|
| 2  |                      | administrative expenses, salaries and benefits of             |
| 3  |                      | employees, contractor services, supplies, security,           |
| 4  |                      | equipment, janitorial services, insurance, utilities,         |
| 5  |                      | and other operational expenses; and                           |
| 6  | <del>(2)</del>       | Enforcing administrative rules adopted relating to the        |
| 7  |                      | Mauna Kea lands.  |
| 8  | <del>(c)</del>       | No moneys deposited into the Mauna Kea lands                  |
| 9  | managemen            | t special fund may be used by the governor or the             |
| 10 | director-            | of finance as a justification for reducing any budget         |
| 11 | <del>request o</del> | <del>r allotment to the University of Hawaii unless the</del> |
| 12 | Universit            | y of Hawaii requests the reduction.                           |
| 13 | <del>.(d)</del>      | The University of Hawaii may establish separate               |
| 14 | accounts-            | within the special fund for major program activities.         |
| 15 | <del>(e)</del>       | All expenditures from the special fund shall be               |
| 16 | <del>subject t</del> | <del>o legislative appropriation.</del>                       |
| 17 | - <del>(£)</del>     | For the purposes of this section, "Mauna Kea lands"           |
| 18 | <del>shall mea</del> | n the same as defined in section 304A-1901."]                 |
| 19 | SECT                 | ION 5. All moneys in the Mauna Kea lands management           |
| 20 | special f            | und established pursuant to section 304A-2170, Hawaii         |
| 21 | Revised S            | tatutes, shall be deposited in the Mauna Kea management       |

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#### **S.B. NO.** 3090 S.D. 1

| 1  | revolving fund established pursuant to section -35, Hawaii      |
|----|---|
| 2  | Revised Statutes, in section 1 of this Act.                     |
| 3  | PART II   |
| 4  | SECTION 6. Title to all lands held in trust by the State        |
| 5  | and identified as government lands of Kaohe, Hamakua District,  |
| 6  | Hawaii, tax map keys:   |
| 7  | (1) (3)4-4-015:09;  |
| 8  | (2) $(3)$ 4-4-015:12; and                                       |
| 9  | (3) That portion of (3)4-4-015:01 serving as a road             |
| 10 | easement comprising 70.798 acres,                               |
| 11 | are transferred by the department of land and natural resources |
| 12 | to the Mauna Kea management authority established pursuant to   |
| 13 | section 1 of this Act.  |
| 14 | PART III  |
| 15 | SECTION 7. There is appropriated out of the general             |
| 16 | revenues of the State of Hawaii the sum of \$ or so             |
| 17 | much thereof as may be necessary for fiscal year 2018-2019 for  |
| 18 | start up costs for the Mauna Kea management authority.          |
| 19 | The sum appropriated shall be expended by the Mauna Kea         |
| 20 | management authority for the purposes of this Act.              |



# **S.B. NO.** <sup>3090</sup> S.D. 1

| 1  | SECTION 8. There is appropriated out of the Mauna Kea         |
|----|---|
| 2  | management revolving fund the sum of \$ or so much            |
| 3  | thereof as may be necessary for fiscal year 2018-2019 for the |
| 4  | purpose of administration, capital improvement projects, and  |
| 5  | other purposes pursuant to this Act.                          |
| 6  | The sum appropriated shall be expended by the Mauna Kea       |
| 7  | management authority for the purposes of this Act.            |
| 8  | PART IV   |
| 9  | SECTION 9. Statutory material to be repealed is bracketed     |
| 10 | and stricken. New statutory material is underscored.          |
| 11 | SECTION 10. This Act shall take effect on December 31,        |
| 12 | 2033.   |
| 13 |   |



#### S.B. NO. <sup>3090</sup> S.D. 1

Report Title: Mauna Kea Management Authority; Established; Appropriation

#### Description:

Establishes the Mauna Kea Management Authority. Limits the number of telescopes that may be authorized on Mauna Kea. Authorizes the renegotiation of leases, subleases, easements, permits, and licenses pertaining to Mauna Kea. Requires that revenue derived from activities on Mauna Kea be shared with the Office of Hawaiian Affairs. Excludes Mauna Kea lands from the definition of "public lands." Provides for free access to Mauna Kea for traditional cultural purposes. Establishes police powers and provides for enforcement of laws on land under the jurisdiction of the Mauna Kea Management Authority. Appropriates funds. Effective 12/31/2033. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

