

DAVID Y. IGE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of**  
**SUZANNE D. CASE**  
**Chairperson**

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

**Friday, February 10, 2017**  
**9:00 AM**  
**State Capitol, Room 325**

**In consideration of**  
**HOUSE BILL 1214**  
**RELATING TO LAND USE**

House Bill 1214 proposes to require the Department of Land and Natural Resources (Department) to provide an annual report to the Legislature with information regarding the value and status of public lands under Chapter 171, Hawaii Revised Statutes. **The Department opposes this measure.**

The Department respectfully notes the tremendous financial cost and managerial burden of determining current fair market valuations of lands included in this measure, including lands not under disposition. Appraisal reports generally cost between \$5,500 to \$10,000 per report, and take time to procure and review; these are obtained when a commercial property is to be leased or during periodic valuations of leased property for rent review, such as at five year intervals. According to the findings of the Revocable Permit Task Force, the Department's Land Division alone manages about 1,104 easements and 340 permits (in addition to 1,012 long term leases). Assuming that each easement and permit encumbrance affects only one parcel (though many affect multiple parcels), the measure would require the valuation of at least 1,444 parcels. At a median cost of \$7,750 per appraisal report, the cost for valuing these lands alone would be \$11,191,000, which only represents a small portion of the lands that would require valuation under this measure. Current valuation as required in this bill means this \$11mm cost and process would have to be incurred annually.

The Department strongly opposes the prodigious unfunded mandate imposed by this measure, as well as the use of Land Conservation Fund monies for this purpose. The Land Conservation Fund supports the Legacy Land Conservation Program funding grants for land acquisition to protect and preserve lands having natural, cultural, recreational and agricultural resource values.

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

**KEKOA KALUHIWA**  
FIRST DEPUTY

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

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
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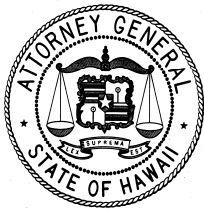
This measure would negate any further use of the Land Conservation Fund for its statutory purpose, and spend those funds on unnecessary appraisals rather than protecting important public property.

Furthermore, the Department already provides the Legislature with numerous reports regarding the use of public lands and revenue, including:

- Relating to Water Rights, in Response to Act 126, Session Laws of Hawaii 2016;
- On Land Dispositions Made of Public Lands Pursuant to Section 171-29, Hawaii Revised Statutes;
- Accounting of all Receipts from Lands Described un Section 5(f) of the Admission Act, in Response to Act 178, Session Laws of Hawaii 2006; and
- Implementation of Chapter 190D, Hawaii Revised Statutes, Ocean and Submerged Lands Leasing, Pursuant to Act 176, Session Laws of Hawaii 1999

The Department is responsible for managing 1.3 million acres of public lands comprised largely of natural, cultural and recreational resources such as forest reserves, state parks, small boat harbors and remaining unencumbered lands. Much of the state lands with higher economic value are already set aside to other agencies for more intensive uses as airports, commercial harbors, schools and other government facilities. Considering the foregoing and that an appraisal report represents an expert opinion of fair market value at a given point in time, the Department questions the benefit of the information provided, balanced against the significant costs.

Thank you for the opportunity to comment on this measure.



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
TWENTY-NINTH LEGISLATURE, 2017**

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 1214, RELATING TO LAND USE.

**BEFORE THE:**

HOUSE COMMITTEE ON WATER AND LAND

**DATE:** Friday, February 10, 2017

**TIME:** 9:00 a.m.

**LOCATION:** State Capitol, Room 325

**TESTIFIER(S):** Douglas S. Chin, Attorney General, or  
David D. Day, Deputy Attorney General

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Chair Yamane and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill would amend section 173A-7, Hawaii Revised Statutes (HRS), to require the Board of Land and Natural Resources to provide an annual report to the Legislature containing, among other things, a list of all lands held by the Department of Land and Natural Resources (DLNR).

We recommend that the proposed new statutory wording be placed in chapter 171, HRS, which concerns public lands generally rather than chapter 173A, HRS. Chapter 173A establishes the Legacy Land Conservation Commission and provides the mechanism for the acquisition and management of land having value as a resource to the State. The proposed new statutory wording, however, concerns all of the lands held by the DLNR. We believe that placing the new wording in chapter 171 will mitigate potential confusion.

Thank you for the opportunity to provide comments.

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**Testimony to the House Committee on Water & Land**  
**Friday, February 10, 2017**  
**9:00 a.m.**  
**Conference Room 325**

**RE: HB 1214 – Relating to Land Use**

Chair Yamane, Vice-Chair Kong, and members of the committee:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii is in support of H.B. 1214 which requires the Department of Land and Natural Resources to provide an annual report to the legislature with information regarding the value and status of public lands under chapter 171, Hawaii Revised Statutes.

We understand that Chapter 171-29 HRS already requires DLNR to provide a report to the legislature each year on all land dispositions made in the preceding year. Given that much of the real property information is housed on the Land Division's computer inventory system, it would seem reasonable that the additional information being requested for in the proposed bill could be made readily available.

We support the passage of H.B. 1214, and appreciate the opportunity to provide our comments on this matter.



SIERRA CLUB OF HAWAII  
MĀLAMA I KA HONUA. *Cherish the Earth.*

**LATE**

**HOUSE COMMITTEE ON WATER AND LAND**

Friday, February 10, 2017 9AM Room 325

**In SUPPORT HB1214** Relating to Land Use

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Aloha Chairman Yamane and members of the Water and Land Committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i supports HB1214, which requires the Department of Land and Natural Resources to produce an inventory of the lands under its jurisdiction.

Since 1968, the Sierra Club of Hawai'i has been working to protect the unique natural and cultural resources of our islands.

An inventory of public land and former crown and government lands under DLNR's jurisdiction is crucial to informed decisionmaking about the management of these lands. This is something the public has been asking for from the Department for many, many years. Passing this bill would provide additional necessary transparency to the management of public lands in Hawai'i.

Thank you very much for this opportunity to provide testimony on this important issue.

Mahalo,

Marti Townsend  
Director



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Water and Land  
Friday, February 10, 2017 at 9:00 A.M.  
Conference Room 325, State Capitol**

**RE: HOUSE BILL 1214 RELATING TO LAND USE**

Chair Yamane, Vice Chair Kong, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 1214, which requires the Department of Land and Natural Resources to provide an annual report to the legislature with information regarding the value and status of public lands under chapter 171, Hawaii Revised Statutes.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

We understand that Chapter 171-29 HRS already requires DLNR to provide a report to the legislature each year on all land dispositions made in the preceding year. Given that much of the real property information is housed on the Land Division's computer inventory system, it would seem reasonable that the additional information being requested for in the proposed bill could be made readily available.

We support the passage of HB 1214, and appreciate the opportunity to provide our comments on this matter.

**waltestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 7, 2017 7:16 PM  
**To:** waltestimony  
**Cc:** mendezj@hawaii.edu  
**Subject:** \*Submitted testimony for HB1214 on Feb 10, 2017 09:00AM\*

**HB1214**

Submitted on: 2/7/2017

Testimony for WAL on Feb 10, 2017 09:00AM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 10, 2017

The Honorable Ryan Yamane Chair  
and Committee Members  
Committee on Water & Land  
Hawaii State Capitol, Rm. 325  
Honolulu, HI 96813

Dear Chair Yamane and Committee Member:

RE: HB1214 Relating to Land Use

My name is Karen Piltz, testifying in support of HB 1214 Relating to Land Use.

This bill will allow the legislature to fully understand the status of the State's valuable land assets. This is very important, so that the legislature can make informed decisions regarding the growth of the State and its sustainability. Also, just as important or even more so, is that the legislature will know if some of these income producing lands are sitting or are in active use. As a large landowner, the State should know the status of their properties, such as what is income producing and what is not, what is available for use and what is not.

With the many problems facing the State, homelessness, the need for farm lands and other uses, it is time for the State to know what it has and to put those assets to work. The state could use the income that comes from the rents of these properties, and the State should know if they have property available to help with housing, farming, schools and other uses.

I urge this committee to pass this measure. Thank you for this opportunity to testify.