

STAND. COM. REP. NO.

2025

Honolulu, Hawaii

APR 05 2019

RE: H.B. No. 1025
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1025, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LEASE EXTENSIONS ON PUBLIC LAND,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to extend certain leases of public lands to encourage current lessees to make improvements to those properties.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and HPM Building Supply.

Your Committee received written comments in opposition to this measure from the Office of Hawaiian Affairs, Hoomanapono Political Action Committee, and Ka Lahui Hawaii Political Action Committee.

Your Committee finds that prohibiting the transfer or assignment of a lease within the first ten years of a lease extension will deter speculators from acquiring leases, obtaining extensions, putting in the minimum amount of improvements, and then transferring or assigning the lease for a profit.



Your Committee has amended this measure by:

- (1) Specifying that the provisions apply to leases that have not been assigned or transferred within the last ten years;
- (2) Clarifying that the provisions do not apply to public lands controlled by the Department of Hawaiian Home Lands and leased pursuant to the Hawaiian Homes Commission Act;
- (3) Specifying that the lease extensions shall not exceed forty years;
- (4) Prohibiting the transfer or assignment of the leases for the first ten years of the lease extension;
- (5) Specifying that resort use requires that at least seventy-five percent of the living or sleeping quarters in the development be used solely for transient accommodations for the term of any lease extension;
- (6) Specifying that substantial improvement means any renovation, rehabilitation, reconstruction, or construction of existing improvements that equals or exceeds thirty percent of the market value of the existing improvements;
- (7) Making the measure effective upon approval; and
- (8) Specifying that the measure shall be repealed on June 30, 2024.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1025, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1025, H.D. 1, S.D. 2.



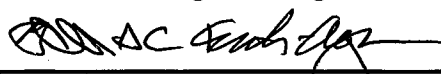
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1025, HDI, SDI	WTL, WAM	4/1/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene				X
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil		X		
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt			X	
TOTAL	9	1	1	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes