

STAND. COM. REP. NO.

1266

Honolulu, Hawaii

MAR 20 2019

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

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

Sir:

Your Committee on Water and Land, to which was referred H.B. No. 1025, H.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 (Board) to extend commercial, industrial, resort, or governmental leases, other than those to which the University of Hawaii is a party, that have not been transferred or assigned within the last five years, for lessees who commit to making substantial improvements to the existing improvements.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, HPM Building Supply; McCully Works; David S. De Luz, Sr. Enterprises, Inc.; and Downtown Laundry Express. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, and two individuals.

Your Committee finds that many of the leases for commercial, industrial, and resort properties on public land statewide may be nearing the end of their lease terms. Faced with the uncertainty



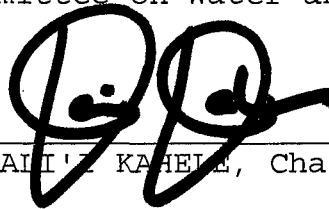
of continued tenancy, lessees have little incentive to make major investments in infrastructural improvements and therefore the infrastructure on these properties has been deteriorating. Authorization of lease extensions, like those proposed by this measure, may resolve issues surrounding the future of improvements located on currently leased public lands.

Your Committee has amended this measure by:

- (1) Inserting a blank for all references to numbers of years and percentages;
- (2) Exempting leases of public lands owned by the Department of Hawaiian Home Lands;
- (3) Inserting a blank repeal date; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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

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

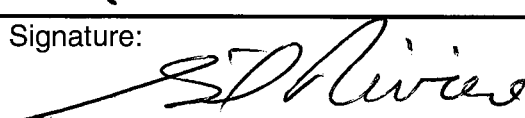


KAIULANI M. KAHELE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* HB1025, HD1	Committee Referral: WTL, WAM	Date: 3/15/2019		
<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
KAHELE, Kaiali'i (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)				X
NISHIHARA, Clarence K.	X			
RIVIERE, Gil	X	X		
FEVELLA, Kurt			X	
TOTAL	2	1	1	1
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