

S.B. NO. 3134

JAN 26 2022

A BILL FOR AN ACT

RELATING TO THE PAYMENT OF DEBT SERVICE ON THE TURTLE BAY
REIMBURSABLE GENERAL OBLIGATION BONDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 173A-13, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[f]~~ §173A-13 ~~[f]~~ Payment of debt service on the Turtle Bay
4 reimbursable general obligation bonds. ~~[Notwithstanding any~~
5 ~~laws to the contrary:~~

6 ~~(1) Beginning July 1, 2015, a nonprofit land conservation~~
7 ~~organization shall file an application annually with~~
8 ~~the board requesting \$1,500,000 from the land~~
9 ~~conservation fund for the reimbursement of debt~~
10 ~~service on the Turtle Bay reimbursable general~~
11 ~~obligation bonds until the bonds are fully amortized;~~

12 ~~(2) The board shall not require the nonprofit land~~
13 ~~conservation organization that is the recipient of a~~
14 ~~grant for the payment of debt service on the Turtle~~
15 ~~Bay reimbursable general obligation bonds to provide~~
16 ~~any additional matching funds; and] (a) The board~~
17 shall be responsible for the reimbursement of debt service on

1 the Turtle Bay reimbursable general obligation bonds from the
2 land conservation fund in the amount of \$1,500,000 per fiscal
3 year until the bonds are fully amortized.

4 ~~[(3)]~~ (b) Moneys ~~[awarded]~~ expended for the payment of debt
5 service on the Turtle Bay reimbursable general obligation bonds
6 shall be deposited into the Turtle Bay conservation easement
7 special fund."

8 SECTION 2. This Act does not affect rights and duties that
9 matured and proceedings that were begun before its effective
10 date.

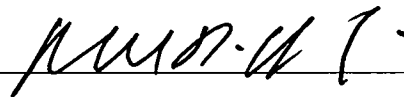
11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act, upon its approval, shall take effect
14 on July 1, 2022.

15

16

INTRODUCED BY:



17

BY REQUEST

Report Title:

Turtle Bay Conservation Easement; Debt Service

Description:

Streamlines the process for completing the Department of Land and Natural Resources' required annual payment of debt service on the reimbursable general obligation bonds for Turtle Bay.

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

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO THE PAYMENT OF DEBT SERVICE ON THE TURTLE BAY REIMBURSABLE GENERAL OBLIGATION BONDS.

PURPOSE: To streamline the process for completing the Department's required annual payment of debt service on the reimbursable general obligation bonds for Turtle Bay.

MEANS: Amend section 173A-13, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Currently, section 173A-13 requires that the Legacy Land Conservation Program (LLCP) complete a cumbersome and prolonged annual grant application and award process before the Department can make an annual debt service payment of \$1,500,000 on the Turtle Bay reimbursable general obligation bonds. The existing process requires superfluous effort by the LLCP (including multiple steps that involve participation of the Legacy Land Conservation Commission, the Department's Division of Forestry and Wildlife Administrator, and the Department Chairperson) and by an unnamed nonprofit land conservation organization that is required to file the application on behalf of the Department. The Department does not believe this process serves any real meaningful purpose, especially since the Department acknowledges the obligation and duty to pay down the debt service on the reimbursable general obligation bonds.

The bill seeks to streamline the process for the required annual debt service payment on the Turtle Bay reimbursable general obligation bonds. The purpose of the amendments to section 173A-13 is to authorize the placement of the Department's reimbursement of the Turtle Bay reimbursable

general obligation bonds from the Land Conservation Fund in the amount of \$1,500,000 per fiscal year in the budget bill for the Department.

Impact on the public: Would eliminate the annual public meeting of the Legacy Land Conservation Commission to discuss the application for a debt service grant. The Department notes that public testimony at six public meetings so far, has been in support of the application.

Impact on the department and other agencies: Would streamline the process for the annual payment of debt service on the Turtle Bay obligation bonds. Would relieve the Department from a cumbersome and prolonged annual grant application and award process, freeing up more time and resources for performing other important activities and functions.

GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	LNR 101.
OTHER AFFECTED AGENCIES:	None.
EFFECTIVE DATE:	July 1, 2022.