

Honolulu, Hawaii

FEB 07 2022RE: S.B. No. 3375
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 3375 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC LANDS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Repeal requirements for lessees to seek approval for lease extensions from the Board of Land and Natural Resources; and
- (2) Require the Department of Land and Natural Resources to utilize the current tax assessed value for lease extensions.

Your Committee received testimony in support of this measure from HPM Building Supply; Hawai'i Island Chamber of Commerce; Hilo Fish Company; Big Island Toyota, Inc. De Luz Chevrolet; and six individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, League of Women Voters of Hawaii, and six individuals.

Your Committee finds that under existing laws, many public land lessees in the Hilo Community Economic District face uncertain futures following the expiration of their leases. The lengthy application process stalls many lease extensions, as the



Board of Land and Natural Resources must approve all modifications and improvements, including minor changes. Despite East Hawaii's role as a major tourism hub, the uncertainty over tenancy and the lack of improvements causes infrastructure to deteriorate and enter into a state of disrepair. This measure amends requirements for lease extension approval to allow the Hilo Community Economic District to develop, revitalize, and flourish.

Your Committee has amended this measure by:

- (1) Substituting the word "department" for "board", where appropriate;
- (2) Clarifying that the Department of Land and Natural Resources shall confirm, rather than consider lease extensions;
- (3) Requiring all applications for an extension of fixed rental periods or lease terms to be made to the Department of Land and Natural Resources within 180 days;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) 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 S.B. No. 3375, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3375, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

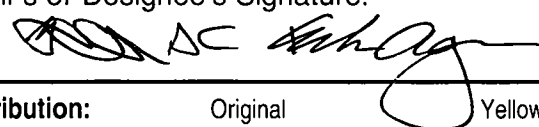
Respectfully submitted on
behalf of the members of the
Committee on Water and Land,


LORRAINE R. INOUYE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB 3375	Committee Referral: WTL, JDC/WAM	Date: 2/2/22		
<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
INOUYE, Lorraine R. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)		X		X
MISALUCHA, Bennette E.	X			
RIVIERE, Gil		X		
FEVELLA, Kurt			X	
TOTAL	2	2	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