JOSH GREEN M.D. LT. GOVERNOR



STATE OF HAWAII **DEPARTMENT OF TAXATION** P.O. BOX 259 HONOLULU, HAWAII 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

To:	The Honorable Donovan M. Dela Cruz, Chair; The Honorable Gilbert S.C. Keith-Agaran, Vice Chair; and Members of the Senate Committee on Ways & Means
From:	Isaac W. Choy, Director Department of Taxation
Date: Time: Place:	Wednesday, February 10, 2021 10:00 A.M. Via Videoconference, Hawaii State Capitol

# Re: S.B. 1092, Relating to the Disposition of Taxes

The Department of Taxation (Department) <u>strongly supports</u> S.B. 1092, an Administration measure and offers the following comments for your consideration.

S.B. 1092 amends the disposition of conveyance tax revenue collected under Hawaii Revised Statutes chapter 247 to delete the allocations to the land conservation fund and the rental housing revolving fund. This measure is effective on July 1, 2021 and is repealed on June 30, 2023.

The Department is able to effectuate the changes required by S.B. 102 as currently written. Thank you for the opportunity to provide testimony in support of this measure.

DAVID Y. IGE GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM

OFFICE OF THE PUBLIC DEFENDER

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND



CRAIG K. HIRAI DIRECTOR

ROBERT YU DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF BUDGET AND FINANCE P.O. BOX 150 HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY TESTIMONY BY CRAIG K. HIRAI DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE TO THE SENATE COMMITTEE ON WAYS AND MEANS ON SENATE BILL NO. 1092

> February 10, 2021 10:00 a.m. Room 211

# RELATING TO THE DISPOSITION OF TAXES

The Department of Budget and Finance (B&F) strongly supports Senate Bill No. 1092.

This Administration Proposal BUF-26(21) amends Section 247-7, HRS, to temporarily suspend the disposition of the conveyance tax to the Land Conservation Fund (LCF) and the Rental Housing Revolving Fund (RHRF) for FY 22 and FY 23.

The economic impact of the COVID-19 pandemic on the revenues of the State has been devastating, with an estimated decline of \$2.3 billion for FB 2019-21 and necessitates action to preserve the solvency of the State general fund and ensure the continuation of critical government operations. To help address the general fund shortfall, this measure proposes to suspend the required disposition of 10% or \$5,100,000, whichever is less, to the Department of Land and Natural Resources' LCF; and the 50% disposition or \$38,000,000, whichever is less, to the Hawai'i Housing Finance and Development Corporation's RHRF pursuant to Section 247-7, HRS. The suspension is estimated to save a minimum of \$43,100,000 in tax distribution per fiscal year, totaling \$86,200,000 over the course of the two-year suspension period. B&F notes that alternative means of financing have been identified in the Executive Budget for FB 2021-23 to supplant revenue lost by suspension of the disposition of the conveyance tax to these agencies.

Given the continued increase in the number of active COVID-19 cases in Hawai'i and the delay in reopening large sectors of the economy, it is likely that the State's revenue collections will take longer to recover than previously projected. Temporary suspension of the disposition of the conveyance tax to the LCF and RHRF is critical to helping to provide budgetary relief for other general-funded State operations and preserve the solvency of the general fund into the next biennium.

Finally, Section 4 of the measure provides that the suspension shall be repealed effective June 30, 2023, provided that the conveyance tax dispositions pursuant to Section 247-7, HRS, be reenacted.

Thank you for your consideration of our comments.

DAVID Y. IGE GOVERNOR



DENISE ISERI-MATSUBARA EXECUTIVE DIRECTOR

**STATE OF HAWAII** 

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300 Honolulu, Hawaii 96813 FAX: (808) 587-0600

IN REPLY REFER TO:

# Statement of DENISE ISERI-MATSUBARA Hawaii Housing Finance and Development Corporation

Before the

# SENATE COMMITTEE ON WAYS AND MEANS

February 10, 2021 at 10:00 a.m. State Capitol, Room 211

# In consideration of S.B. 1092 RELATING TO THE DISPOSITION OF TAXES.

The HHFDC <u>supports</u> S.B. 1092, which suspends the Rental Housing Revolving Fund's dedicated funding from conveyances taxes for the Fiscal Biennium 2021 to 2023, in light of the devasting economic impact of the COVID-19 pandemic on revenues. We note that the Executive Biennium Budget includes a General Obligation Bond appropriation for the Rental Housing Revolving Fund to replace these funds so that affordable rental housing developments may continue given the dire need statewide.

Thank you for the opportunity to testify.

DAVID Y. IGE GOVERNOR OF HAWAII





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

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

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the Senate Committee on WAYS AND MEANS

Wednesday, February 10, 2021 10:00 AM State Capitol, Conference Room 211

# In consideration of SENATE BILL 1092 RELATING TO THE DISPOSITION OF TAXES

Senate Bill 1092 proposes that, for the duration of Fiscal Years 2021-2022 and 2022-2023, the Land Conservation Fund would not receive an annual disposition of taxes collected from real estate conveyance taxes under Section 247-7, Hawaii Revised Statutes (HRS), and require reenactment of the provision after the scheduled repeal of the proposed measure, **The Department of Land and Natural Resources (Department) offers the following comments.** 

The Department operates the Legacy Land Conservation Program (LLCP) under a current annual Land Conservation Fund spending ceiling of about \$5.1 million.

The Department requires at least \$284,248 annually to perform essential LLCP operational functions, such as monitoring grants awarded for land acquisitions, administration of the Legacy Land Conservation Commission, the completion of Capital Improvement Projects for land acquisitions by the Department, and management of program budget and finances.

In the absence of conveyance tax revenues, the unencumbered cash balance in the Land Conservation Program can accommodate the current \$5.1 million budget for fiscal year 21-22 and fiscal year 22-23, as long as cash is available for operating expenses (\$285,000), and the \$1.5 million per year for required debt service payment on the Turtle Bay reimbursable general obligation bonds. The Department is concerned that the proposed measure, when coupled with Senate Bill 1091, could result in insufficient operational funds for supporting base operations of the LLCP.

Sections 173A-5(h)(3), HRS, specifies that expenditures for administration of the program shall not exceed five per cent of annual fund revenues of the previous year. If income is zero, perhaps an appropriation for program administration will be required. Department respectfully requests that sufficient cash (\$285,000/year) in each of the two fiscal years be specifically appropriated to fund LLCP operations.

The Department is concerned that the reenactment mechanism proposed in SECTION 4 would not assure that the existing distribution of conveyance tax revenues to the LCF would resume in Fiscal Year 2024. Failure to reenact conveyance tax distributions could adversely impact the Land Conservation Fund and the LLCP, unless the funds were replaced by another funding source.

Thank you for the opportunity to comment on this measure.

# LEGISLATIVE TAX BILL SERVICE

# **TAX FOUNDATION OF HAWAII**

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

## SUBJECT: CONVEYANCE, Disposition of Taxes

BILL NUMBER: SB 1092; HB 938

INTRODUCED BY: SB by KOUCHI by request; HB by SAIKI by request

EXECUTIVE SUMMARY: Suspends the requirement for disposition of the conveyance tax to the Land Conservation Fund and the Rental Housing Revolving Fund for fiscal year 2021-2022 and fiscal year 2022-2023.

SYNOPSIS: Amends section 247-7, HRS, to delete the two earmarks on the conveyance tax which now provide for:

- The lesser of 10% of collections or \$5.1 million to the land conservation fund (HRS section 173A-5); and
- The lesser of 50% of collections or \$38 million to the rental housing revolving fund (HRS section 201H-202).

# EFFECTIVE DATE: 7/1/2021, and repealed on 6/30/2023.

STAFF COMMENTS: This bill is part of the Administration package, sponsored by the Department of Budget & Finance and identified as BUF-26 (21).

The Department's stated justification for the bill is that the economic impact of the COVID—19 pandemic on the revenues of the State has been devastating with an estimated decline of \$2.3 billion for fiscal biennium 2019—2021 and necessitates action to preserve the solvency of the state general fund and ensure the continuation of critical government operations.

The proposed victims of this action are the Land Division of the Department of Land and Natural Resources and the HHFDC. If, however, the Legislature deems their respective programs worthy, it can compensate by appropriating general funds to these agencies.

With any earmarking of revenues, the legislature will be preapproving each of the initiatives fed by the tax earmark, so expenses from the funds largely avoid legislative scrutiny, and the effectiveness of the programs funded becomes harder to ascertain. It is also difficult to determine whether too little or too much revenue has been diverted from other priorities in the state budget.

This bill proposes to decrease or eliminate existing earmarks, which appears to be a step in the right direction.

Digested 2/4/2021



#### THE TRUST FOR PUBLIC LAND'S TESTIMONY REGARDING SB 1091 & SB 1092

Senate Committee on Ways & Means Wednesday, February 10, 2021, 10:00 a.m. Conf. Rm. 211

The Trust for Public Land has comments regarding SB 1091 and SB 1092. We recognize the current fiscal crisis facing the State and appreciate the Governor, this Committee, and the Legislature for its difficult work. We suggest that in regard to both these bills, base levels of funding for the Legacy Land Conservation Program of \$5.1 million annually (staff/operating and land acquisition capital/grants) should continue in order to capitalize on \$900 million of federal conservation funding made available by the 2020 Great American Outdoors Act, and secure federal funding for important Hawai'i projects such as Nā Wai 'Eha on Maui.

#### SB 1091

SB 1090 proposes to appropriate out of the Legacy Land Conservation Fund \$26,300,000 or so much thereof as may be necessary for fiscal year 2021-2022, transfer those funds to general fund, and allow the Department of Land and Natural Resources (DLNR) to expend those funds. It also authorizes the Director of Finance to issue general obligation bonds in the same amount, and deposit those GO bond funds back into the Legacy Land Conservation Fund. Unspent monies in the fund have grown because: (1) funds for projects which do not close remain in the fund (e.g., landowner decides not to sell at appraised value, or title issues preclude a closing), and (2) for the past several years, the Legislature has set an annual spending ceiling of about \$5.1 million that was lower than the amount deposited into the fund pursuant HRS §237-7(1). In the last 2020 session, the Legislature amended HRS §237-7(1) so that the annual statutory maximum going into the fund was set at that historical \$5.1 million spending ceiling.

This intent of this bill appears to be to harness the unspent cash in the Legacy Land Conservation Fund to fund DLNR's current operations and staff costs. The Trust for Public would only support a one-time transfer from the Legacy Land Conservation Fund to the general fund to support existing DLNR programs and staff positions, if necessitated by this current COVID-19 economic crisis. The Trust for Public Land would strongly oppose transferring the funds to the general fund for other non-DLNR purposes.

The COVID-19 crisis has proved that DLNR's mission to maintain and manage our natural and cultural resources is critical to our physical and mental well-being, our shrinking freshwater supplies threatened by climate change, our public shorelines and reefs, and our unique plant and animal species found nowhere else in the world. Current DLNR programs and staffing levels should continue. As discussed below,



# THE TRUST FOR PUBLIC LAND

H A W A I <sup>(</sup> I 1003 Bishop St. Pauahi Tower, Ste. 740 Honolulu, HI 96813 T: 808.524.8694 **tpl.org** 

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**Gregg H. Takara** Morgan Stanley base/core funding of \$5.1 million per year for the Legacy Land Conservation Program is critical for Hawai'i to secure its share of federal funding for important projects.

# SB 1092

SB 1092 proposes to halt all deposits into the Legacy Land Conservation Fund for two fiscal years. The Trust for Public Land strongly opposes this bill if base levels of funding for the program and staff of \$5.1 million annually would be eliminated.

If deposits in the Legacy Land Conservation Fund are paused and the entire program paused, Hawai'i will be unable to capitalize on millions of dollars of federal funding opportunities that can provide up to 75% of matching funding because Hawai'i has established a dedicated source of conservation funding via the Legacy Land Conservation Fund.

In the Summer of 2020, Congress passed and the President signed the Great American Outdoors Act, which fully funded the Land and Water Conservation Fund (LWCF) at **\$900 million annually**. LWCF finances conservation programs like the U.S. Forest Legacy Program under the U.S. Department of Agriculture, the Outdoor Recreation Legacy Partnership under the National Park Service, and U.S. Fish & Wildlife Recovery Land Acquisition and Habitat Conservation Plan Acquisition Programs. As a result, federal funding has increased (in some cases, more than doubled) for these federal programs.

The Legacy Land Conservation Fund provides an important source of local/state match for these federal conservation programs. Because Hawai'i has a dedicated source of funding – the Legacy Land Conservation Fund – the match requirements for some federal programs are more favorable, allowing 75% federal share and 25% state/local share (in the absence of a dedicated fund, some programs will only allow a 50% federal share and require a 50% local/state match).

For example, The Trust for Public Land and DLNR/DOFAW are currently working on an U.S. Fish & Wildlife Service application for funding the purchase of the Nā Wai 'Eha watershed on Maui. DLNR/DOFAW previously secured \$3 million of U.S. Forest Legacy funding for Nā Wai 'Eha. We need approximately \$2 million of state/local match to complete an estimated over \$9 million purchase. We plan to apply for FY22 Legacy Land Conservation Program funding this year. DLNR/DOFAW has several other projects for which it is also applying for federal funding to take advantage of the \$900 million annually funding federal conservation programs, and the Legacy Land Conservation Fund provides additional federal leverage, and a source of matching state/local funds.

We urge the Legislature to continue funding the State Legacy Land Conservation Program at its current/base level to pay for staff and the base program.

Me ke aloha,

Lea Hong

Lea Hong State Director Edmund C. Olson Trust Fellow

# The State of Hawai'i Legacy Land Conservation Program: Over 15 Years of Aloha 'Āina

2020 marked the the 15th anniversary of the State Legacy Land Conservation Program ("the Legacy Program"), which conserves lands with important cultural, natural, and agricultural resources. Despite land use and zoning laws, important lands are often threatened with development, destruction, or made inaccessible to the public. The Legacy Program is a win-win approach to these conflicts.

The Legacy Program is a completely voluntary program where private landowners voluntarily consent to the purchase of or conservation of their lands. The Legacy Program provides grants to public agencies and nonprofit community organizations to purchase and voluntarily conserve land to protect unique and threatened natural and cultural resources: e.g., historic sites, coastlines, native forest, watersheds, scenic open space, agricultural and ranch land, and recreational, fishing, and hunting areas.

In 2005, the Legislature enacted the program with nearly unanimous bipartisan support by its members and by an enthusiastic cross section of community, conservation, and affordable housing groups. The Legislature prophetically recognized that an "alarmingly small amount of money is invested each year to protect our natural capital base" and that the "preservation, protection, and enhancement of the State's land, coastal areas, and natural resources are of central importance for current and future residents and for the state economy."

The Legacy Program has since protected 36 special places and over 21,000 acres throughout Hawai'i nei and leveraged two-thirds of funding from county, federal, or private sources.



Nearly an acre added to the Hanalei Black Pot Beach Park in 2010, with funds from the Legacy Program and Kaua'i Open Space Fund.



Ka lwi Coast, O'ahu: 182 acres of scenic coastline protected in 2017 with funds from the Legacy Program and the City and County of Honolulu Clean Water & Natural Lands Program after 40 years of grassroots advocacy.

# How The Legacy Program Works

For over 15 years, the State's Legacy Program has protected treasured lands across Hawai'i in a fiscally responsible, transparent, and community-supported manner.

Applicants to the Legacy Program go through a rigorous vetting process administered by the Legacy Land Conservation Commission ("the Commission") made up of nine volunteer Governor-appointed commissioners with subject matter expertise (e.g., Hawaiian culture, native plants and animals, agriculture) and geographical representation from all the islands. The Commission analyzes detailed applications, conducts site visits, consults with the House Speaker and Senate President, ranks projects, and makes funding recommendations to the State Board of Land and Natural Resources.

Once an applicant is awarded funding, Legacy Program staff then work with the State Attorney General's department and the Land Division to ensure that the State's investment of funding is protected and documented via appraisals, deed restrictions, conservation easement restrictions, title review, and contractual grant agreement requirements.

# A Legacy of Aloha 'Āina

These 43 special places have benefited from the Legacy Program:

#### HAWAI'I ISLAND

- Amy B.H. Greenwell Ethnobotanical Garden, Kona
- ♦ Hilo Forest Reserve
- ♦ Kahuku Coastal Property, Ka'ū
- Kaiholena, North Kohala
- Kaiholena South, North Kohala
- Kalukalu Ranch, Kealakekua
- Kapanaia, Kohala\*
- Kauhola Point, North Kohala
- ♦ Kawā I & 2, Ka'ū
- Kīpuka Kanohina, Ka'ū
- Kuamo'o Battlefield & Burial Grounds, Kona
- Lapakahi State Historical Park, North Kohala
- ♦ Pāo'o, North Kohala
- Uchida Farm, Kealakekua
- ♦ Waikapuna, Ka'ū

## MAUI

- ♦ Kahanu, Hāna
- Mokae to Maka'alae Lands, Hāna, Maui\*
- Nu'u, Southeast Maui

## **MOLOKA'I**

- Kainalu Ranch, East Moloka'i
- Kawaikapu, East Moloka'i
- ♦ Pua'ahala Watershed, Kamalō

## KAUA'I

- Black Pot Beach Expansion, Hanalei
- ♦ Halulu Fishpond Access, Waipā\*
- ♦ Kaluanono, Waipā\*

## **O'AHU**

- Hakipu'u Lo'i Kalo
- Hāwea Heiau & Keawāwa Wetlands, East Honolulu
- Helemano Wilderness Recreation Area, Central O'ahu
- ♦ Honouliuli Forest Reserve, West O'ahu
- Kalauao Valley, 'Ewa
- Kānewai Spring, East Honolulu
- Kunia Hawai'i Agricultural Research Center
- MA'O Organic Farm Palikea Expansion, Wai'anae
- MA'O Organic Farm Takahashi Farm Expansion, Wai'anae
- Maunawila Heiau, Hau'ula
- Pia Valley, East Honolulu
- Pu'ukua, Waimea Valley
- Pu'u o Ehu Hāmākua Marsh
- ♦ Ulupō Heiau Buffer, Kailua\*
- Sunset Ranch, North Shore
- Turtle Bay Makai Kahuku Kawela Forever, North Shore
- Turtle Bay Mauka Agricultural Lands, North Shore
- Waimea Native Forest, North Shore

\*Pending projects that have not yet closed or been completed.

# 21,000+

acres protected across five islands

39

properties conserved in perpetuity, and another 7 properties awaiting completion

# 42

participating community partners, including counties, state agencies, and nonprofit organizations



every state dollar is matched by \$2 of other federal, county, or private funding



years in operation, the Legacy Program has protected some of Hawai'i's most treasured places

# What Is The Legacy Program's Spending Ceiling?

The State of Hawai'i dedicates a portion of revenue from the real estate conveyance tax (a tax paid by the seller whenever land is sold) to the Legacy Land Conservation Fund ("the Legacy Fund"). Until 2020, ten percent or \$6.8 million, whichever is less, of the real estate conveyance tax went into the Legacy Fund. Prior to 2020, the Legislature had imposed a \$5.1M "spending ceiling" that was lower than the \$6.8M that went into the Legacy Fund annually. In 2020, the Legislature amended the law so that ten percent or \$5.1 million, whichever less, now goes into the Legacy Fund.

After administration/staffing costs and the \$1.5M debt service for the Turtle Bay Makai conservation project, only about \$3.2M has been available for competitive grants for land conservation projects statewide each year since 2016-2020.

This has resulted in over \$20M building up in the Legacy Fund "above the spending ceiling," as the historical amounts flowing into the fund (\$6.8M) exceeded the annual pending ceiling (\$5.1M) or projects are discontinued.



Over 2,300-acres known as Waikapuna located in Ka'ū, Hawai'i Island was recently acquired by the Ala Kahakai Trail Association, funded by the County of Hawai'i's Open Space Program and the State's Legacy Program, conserving over 2.3 miles of the Ala Kahakai National Historic Trail, an ancient fishing village, and hundreds of cultural sites. The Ka'ū community has been working for decades to protect their beloved 80-mile coast to honor their kūpuna and perpetuate their rural lifestyle.



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February 9, 2021

#### MOLOKAI LAND TRUST TESTIMONY REGARDING SB 1091 & SB 1092

Molokai Land Trust is providing comments regarding SB 1091 and SB 1092. MLT has had to deal with the financial challenges and difficulties associated with the current pandemic, and we understand the unique challenges that the State is currently facing and appreciate the efforts being taken to meet these challenges. In light of these proposed bills, we ask that the State continue providing the base \$5.1 million annually to capitalize on, and leverage the \$900 million of federal conservation funds made available by the 2020 Great American Outdoors Act. Losing out on these federal funds will potentially kill important State land purchases such as Nā Wai 'Eha on the island of Maui.

#### SB 1091

SB 1090 proposes to appropriate out of the Legacy Land Conservation Fund \$26,300,000 or so much thereof as may be necessary for fiscal year 2021-2022, transfer those funds to general fund, and allow the Department of Land and Natural Resources (DLNR) to expend those funds. It also authorizes the Director of Finance to issue general obligation bonds in the same amount, and deposit those GO bond funds back into the Legacy Land Conservation Fund. Unspent monies in the fund have grown because: (1) funds for projects which do not close remain in the fund (e.g., landowner decides not to sell at appraised value, or title issues preclude a closing), and (2) for the past several years, the Legislature has set an annual spending ceiling of about \$5.1 million that was lower than the amount deposited into the fund pursuant HRS §237-7(1). In the last 2020 session, the Legislature amended HRS §237-7(1) so that the annual statutory maximum going into the fund was set at that historical \$5.1 million spending ceiling.

This intent of this bill appears to be to harness the unspent cash in the Legacy Land Conservation Fund to fund DLNR's current operations and staff costs. Molokai Land Trust would only support a one-time transfer from the Legacy Land Conservation Fund to the general fund to support existing DLNR programs and staff positions, if necessitated by this current COVID-19 economic crisis. Molokai Land Trust would strongly oppose transferring the funds to the general fund for other non-DLNR purposes.

#### SB 1092

SB 1092 proposes to halt all deposits into the Legacy Land Conservation Fund for two fiscal years. Molokai Land Trust strongly opposes this bill if base levels of funding for the program and staff of \$5.1 million annually would be eliminated.

If deposits in the Legacy Land Conservation Fund are paused and the entire program paused, Hawai'i will be unable to capitalize on millions of dollars of federal funding opportunities that can provide up to 75% of matching funding because Hawai'i has

Ph: (808) 553-5626



established a dedicated source of conservation funding via the Legacy Land Conservation Fund.

This past Summer (2020), Congress passed and the President signed the Great American Outdoors Act, which fully funded the Land and Water Conservation Fund (LWCF) at \$900 million annually. LWCF finances conservation programs like the U.S. Forest Legacy Program under the U.S. Department of Agriculture, the Outdoor Recreation Legacy Partnership under the National Park Service, and U.S. Fish & Wildlife Recovery Land Acquisition and Habitat Conservation Plan Acquisition Programs. As a result, federal funding has increased (in some cases, more than doubled) for these federal programs.

The Legacy Land Conservation Fund provides an important source of local/state match for these federal conservation programs. Because Hawai'i has a dedicated source of funding – the Legacy Land Conservation Fund – the match requirements for some federal programs are more favorable, allowing 75% federal share and 25% state/local share (in the absence of a dedicated fund, some programs will only allow a 50% federal share and require a 50% local/state match).

Molokai Land Trust urges the Legislature to continue funding the State Legacy Land Conservation Program at its current base level to pay for staff and the current program annual budget for critical land acquisition projects statewide.

Mahalo,

Dilliam Apelie

William 'Butch' Haase, Executive Director Molokai Land Trust



335 Hahani Street #342132 \* Kailua, HI 96734 \* Phone/Fax (808) 262-0682 E-Mail: htt3000@gmail.com

February 10, 2021

COMMITTEE ON WAYS AND MEANS Senator Donovan M. Dela Cruz, Chair Senator Gilbert S.C. Keith-Agaran, Vice Chair Committee Members

# SB 1092 RELATING TO DISPOSITION OF TAXES

Hawaii's Thousand Friends understands the need for funds in this pandemic year but opposes cutting 10% or \$5,100,000, which ever is less, to the Land Conservation Fund.

While SB 1092 states that the conveyance tax will be a temporary suspension it has been our experience that once dedicated funds are cut they are never replaced.

Non-profit organizations such as MA`O Organic Farm, Livable Hawai`i Kai Hui (Ka `Iwi Coalition) and Maunalua Fishpond Heritage Center relied on this source of funding to protect agricultural land, a fishpond and the Ka `Iwi Coastline.

Pausing this funding source means that the entire natural and cultural resource protection program is paused for two years or longer. Without this dedicated funding source Hawai'i will loose millions of federal funding opportunities.

As we enter a new economic dynamic we must look at new innovative ways to use our limited monies wisely. Going back to the old cutting of funding sources to save money in the short term is short sighted.

Please hold this bill in committee and do not cut funding to the Legacy Land Conservation Fund.



Hawai'i



# Submitted to the Senate Committee on Ways and Means Hearing: Wednesday, February 10, 2021 10:00am Hawaii State Capitol Room 211, Video Conference **SB 1092 Relating to Disposition of Taxes**

# Conservation Council For Hawaii strongly opposes SB 1092. Proposing to halt all deposits into the Legacy Land Conservation Fund for two fiscal years

SB 1092 proposes to halt all deposits into the Legacy Land Conservation Fund for two fiscal years if base levels of funding for the program and staff of \$5.1 million annually would be eliminated.

If deposits in the Legacy Land Conservation Fund are paused and the entire program paused, Hawai'i will be unable to capitalize on millions of dollars of federal funding opportunities that can provide up to 75% of matching funding because Hawai'i has established a dedicated source of conservation funding via the Legacy Land Conservation Fund.

In the Summer of 2020, Congress passed and the President signed the Great American Outdoors Act, which fully funded the Land and Water Conservation Fund (LWCF) at \$900 million annually. LWCF finances conservation programs like the U.S. Forest Legacy Program under the U.S. Department of Agriculture, the Outdoor Recreation Legacy Partnership under the National Park Service, and U.S. Fish & Wildlife Recovery Land Acquisition and Habitat Conservation Plan Acquisition Programs. As a result, federal funding has increased (in some cases, more than doubled) for these federal programs.

The Legacy Land Conservation Fund provides an important source of local/state match for these federal conservation programs. With this dedicated source of funding Hawaii as been able to optimize - the Legacy Land Conservation Fund – fulfilling the match requirements for some federal programs are made more favorable, allowing 75% federal share and 25% state/local share (in the absence of a dedicated fund, some programs will only allow a 50% federal share and require a 50% local/state match).

Some examples of Legacy Land Conservation Fund projects are: The Trust for Public Land and DLNR/DOFAW currently working on an U.S. Fish & Wildlife Service application for funding the purchase of the Nā Wai 'Eha watershed on Maui. DLNR/DOFAW previously secured \$3 million of U.S. Forest Legacy funding for Nā Wai 'Eha, the additional need is approximately \$2 million of state/local match to complete an estimated over \$9 million purchase. DLNR/DOFAW has several other projects for which it is also applying for federal funding to take advantage of the \$900 million annually funding federal conservation programs, and the Legacy Land Conservation Fund provides additional federal leverage, and a source of matching state/local funds.



Testimony Before The Senate Committee on Ways & Means <u>IN OPPOSITION TO SB 1092</u> Wednesday, February 10, 2021, 10:00AM, Room 211

My name is Kevin Chang and I am the Co-Director of Kua'āina Ulu 'Auamo (or KUA). KUA works to empower grassroots rural and Native Hawaiian mālama 'āina groups to celebrate their places and pass on their traditions to better Hawai'i and achieve 'āina momona— an abundant, productive ecological system that supports community well-being.

**KUA opposes SB 1092.** SB 1092 proposes to halt all deposits into the Legacy Land Conservation Fund for two fiscal years. KUA opposes this bill if base levels of funding for the program and staff of \$5.1 million annually would be eliminated.

KUA works to empower communities to improve their quality of life through caring for their environmental heritage together. We employ a community-driven approach that currently supports a network of more than 36 mālama 'āina community groups collectively referred to as E Alu Pū (moving forward together), 38 fishpond projects and practitioners called the Hui Mālama Loko I'a, and a growing hui of Limu practitioners all from across our state.

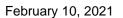
A primary function of KUA includes development of the 'auwai, a stream of resources tools, bridges and networks that help to cultivate and take our communities' work to greater levels of collective impact. A core source of the flow in this 'auwai includes the partnerships and programs within government that empower communities to care for and/or own land outright or in partnership with government. The Legacy Land's program is one of the most important programs helping see this through and as at home, national conversation looks to broaden conservation capacity as part of our economic recovery. If deposits in the Legacy Land Conservation Fund are paused and the entire program paused, Hawai'i will be unable to capitalize on millions of dollars of federal funding opportunities that can provide up to 75% of matching funding because Hawai'i has established a dedicated source of conservation funding via the Legacy Land Conservation Fund.

It is important to shore up on some of our fiscal concerns but this proposal could stifle the pathways toward growth and resources important to Hawai'i's fiscal and environmental future.

Mahalo for this opportunity to testify.

Aloha 'Āina Momona.





Senate Committee on Ways & Means February 10, 2021 Conference Room 211

RE: Testimony SB 1091 & 1092

The North Shore Community Land Trust was created to protect, steward, and enhance the natural landscapes, cultural heritage, and the rural character of ahupua'a from Kahahuku to Kaena. We appreciate the opportunity to offer testimony on SB 1091 & 1092.

LAND TRUST

Since our founding in 1997 the Legacy Land Conservation Program has been instrumental in securing the funding necessary to execute several conservation easements that will protect over 4,000 acres of land in our mission area in perpetuity. These lands help to preserve a lifestyle and offer valued recreational, agricultural, and cultural opportunities for residents statewide. Often times the opportunity to preserve land is temporal and accordingly we must have reasonable funds available to acquire available properties. Available federal funding through the Land and Water Conservation Fund often times require matching funds from local/state government making the Legacy Land Funds a critical piece of the puzzle. Without these vital funding sources NSCLT could not have found the success we have to date.

NSCLT recognizes the complicated task before the Legislature as they contemplate various strategies to navigate a way out of the financial challenges brought on by COVID. It goes without saying that difficult decisions will need to be made. The NSCLT respectfully requests that the Legislature preserve the current base funding levels the State Legacy Land Conservation Program to avoid missing critical opportunities during the recovery.

NSCLT shares the position of our valued partner Trust for Public Land that any appropriation out of the Legacy Land Conservation Fund should a one-time transfer and should not leave the fund under the necessary base level funding to ensure the viability and continued success of this important program. Furthermore, we agree that the funds appropriated should support existing staff and operational costs of DLNR and not be appropriated to the general fund or other departments.

Thank you for the opportunity to comment on SB 1092 and SB 1091.

Mahalo,

Adam C. Borrello Executive Director



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#### President & CEO

Laura H. E. Kaakua

ph: 808.791.0729 126 Queen St., Ste. 306 Honolulu, Hawaii 96813 www.hilt.org February 9, 2021

The Honorable Senator Donovan Dela Cruz, Chair The Honorable Senator Gilbert Keith-Agaran, Vice Chair Senate Committee on Ways and Means Hawaii State Legislature

## Re: SB 1092 & SB 1091, Hearing on Wed. Feb. 10, 2021 at 10:00am

Dear Chair Dela Cruz, Vice Chair Keith-Agaran & Committee Members,

Hawaiian Islands Land Trust, d/b/a Hawai'i Land Trust ("HILT") is Hawai'i's islands-wide land trust that is both a Hawai'i 501(c)3 nonprofit, and a nationally accredited land trust. Our mission is to protect and steward the lands that sustain Hawai'i, and to perpetuate Hawaiian values by connecting people to 'āina. HILT is actively working with willing landowners, government, and private sector partners to protect over 5,500 acres of coastlines, forests, and lands that grow healthy food for local families throughout Hawai'i through the acquisition of conservation easements and fee ownership and stewardship of lands in partnership with community. HILT also owns and stewards seven preserves totaling 2,033 acres of coastal and cultural landscapes where in a year of hardship, we were able to hire 47 temporary conservation workers during the COVID-19 pandemic, getting Federal funds into local households and provide open space reprieve for over 26,000 individuals.

We appreciate the opportunity to provide testimony on SB 1091 and SB 1092 as both bills could negatively impact on our ability to serve our communities and State.

#### <u>SB 1092</u>

HILT strongly opposes SB 1092 as it proposes to halt all deposits into the State's Legacy Land Conservation Fund for two fiscal years. All county and federal funding programs that feed financial support for land conservation transactions in Hawai'i do heavily rely on this source of State funding. Halting State Legacy Land Conservation Fund deposits will effectively diminish opportunities for the State to leverage its financial resources dedicated for this purpose, losing opportunities to work with willing landowners at a time when Hawai'i is experiencing an influx of mainland and foreign real estate transactions.

Two highlighted active projects under negotiations that will be at risk without FY22 and FY23 State Legacy Land Conservation Fund appropriations include the following: **Mālama Mokae's coastal lands at Hāna, Maui (34 acres)**, a project that will protect local community stewardship and access to an indigenous food source and ensure the permanent protection of this open space resource sung about by the late Pekelo Cosma. In partnership with Ke Ao Hāliʿi, local 501(c)(3), the County of Maui's Open Space Fund has earmarked the matching funds for this project and State funds are needed for a successful close of this fourth and final phase of the community's landscape conservation effort to protect the entire coastline from Hamoa Beach to Waioka Pond.





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ph: 808.791.0729 126 Queen St., Ste. 306 Honolulu, Hawaii 96813 www.hilt.org The second project is **Māhukona Navigational & Cultural Complex at Kohala, Hawai'i (642 acres)**, land that was once slated as another resort development along the Kohala coastline, to an opportunity for us to protect the lands and waters that have and continue to teach generations of navigators the living cultural practice of non-instrumental navigation. HILT is working in partnership with Nā Kālai Wa'a, local 501(c)(3), and the greater Kohala and Hawai'i Island community to protect the home of over 175 cultural sites including Ko'a Heiau Holomoana and community access and stewardship to lands that have and can continue to serve as a hub for educational and cultural resiliency and opportunities for climate change mitigation. Māhukona ranked the #1 priority project in 2020 for the County of Hawai'i's open space program to provide matching funds for, alongside Federal and private funding partners—we hope the State Legacy Land Conservation Program can be a part of this incredible community effort.

#### SB 1091

The intent of SB 1091 appears to allow the Department of Land and Natural Resources ("DLNR") to acess the unspent monies in the Legacy Land Conservation Fund to fund DLNR operations. If necessitated by this current COVID-19 economic crisis, HILT would only support the neccessary funds and one-time transfer and use of these funds to support existing DLNR operations. HILT strongly opposes the transfer of the funds for any other purpose. As storied above, the Legacy Land Conservation Fund is a vital source of State funding that contributes leveraging funds for each county, federal, and private funding programs that support the permanent protection and stewardship of Hawai'i's privately owned lands.

As HILT steps into its 10-year anniversary in 2021, we are humbled and equally emboldened in how our mission directly provides reprieve and addresses the environmental and community resiliency issues our Hawai'i families face statewide. As we grow our strength in connection and storytelling, we hope we were able to communicate the <u>importance and security that the State of</u> <u>Hawai'i's Legacy Land Conservation Fund holds for a resilient future for Hawai'i.</u>

Mahalo nui loa for your public service and for the opportunity to submit testimony. We look forward to working collaboratively to protect our most special places in Hawai'i. Please do not hesitate to reach out as we would love to have you and your 'ohana out on the land with us.

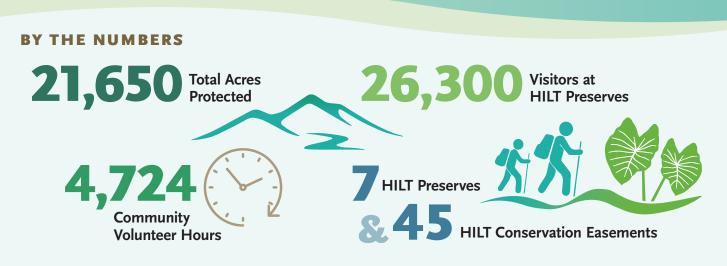
Mālama pono,

Shae Kamakaala Director of 'Āina Protection, <u>shae@hilt.org</u>, 808-940-0639

Enclosure

# HAWAIIAN ISLANDS LAND TRUST 2020 HIGHLIGHTS AND ACCOMPLISHMENTS

*In 2020, HILT* encountered a variety of challenges and opportunities brought about by the Global Coronavirus Pandemic. However, the strong foundation built over the previous two years, our dedicated volunteer board, and support from generous donors allowed us to successfully weather these challenges. HILT retained its employees and grew our staff by 4, protected 3 special places, and connected thousands with the land by welcoming everyone on our preserves, and providing 'āina-based education. We are thrilled by the building momentum that will ensure the protection and community stewardship of even more of Hawai'i's coastlines, Hawaiian cultural landscapes, and lands that grow food for Hawai'i's people.



## **PROTECT** (Conservation Purchases and Easements):

- Partnered with the Hāna community group Ke Ao Hāli'i to protect **27** acres of coastal ranchland of great cultural significance at Pu'u Hele, Mokae, Hāna Coast, Maui
- Finalized the protection of Hakipu'u Lo'i Kalo, Ko'olaloa, O'ahu. A project more than 10 years in the making, HILT worked with community nonprofit Ho'āla 'Āina Kūpono, The Trust for Public Land, and the City & County of Honolulu to forever protect this
   1.5-acre historic wetland taro farm.
- Conserved **1,752**-acres of Ulupalakua Ranchland to be reforested with koa creating habitat for 'Ōpe'ape'a (Hawaiian Hoary Bat).
- Total places protected following HILT's Strategic Land Protection Priorities: **3**
- Total acreage protected in 2020: 1,780.5

#### **STEWARD** (Caring for HILT's Preserves, and Conservation Easement Annual Monitoring):

- Completed Climate Change Resiliency Plan for Waihe'e Coastal Dunes and Wetlands Refuge
- Planted **1,659** native and rare plants at HILT's preserves
- 1,262 volunteers gave 4,724 hours of stewardship to HILT preserves
- Installed **950**" of ungulate-proof fence at Maunawila Heiau Complex
- Hosted 93 volunteer days at Waihe'e Refuge, Kāhili Beach Preserve,
- and Maunawila Heiau Complex
  Continued cultivation of over **50** different rare Kalo species through partnership with E Kupaku Ka 'Āina's Maka'aka Lo'i at Waihe'e Coastal Dunes and Wetlands Refuge
- Hired 47 temporary conservation workers during COVID-19 pandemic, getting Federal funds into local households
- Provided annual monitoring for 45 Conservation Easements per national standards

# **CONNECT** ('Āina Engagement and Education):

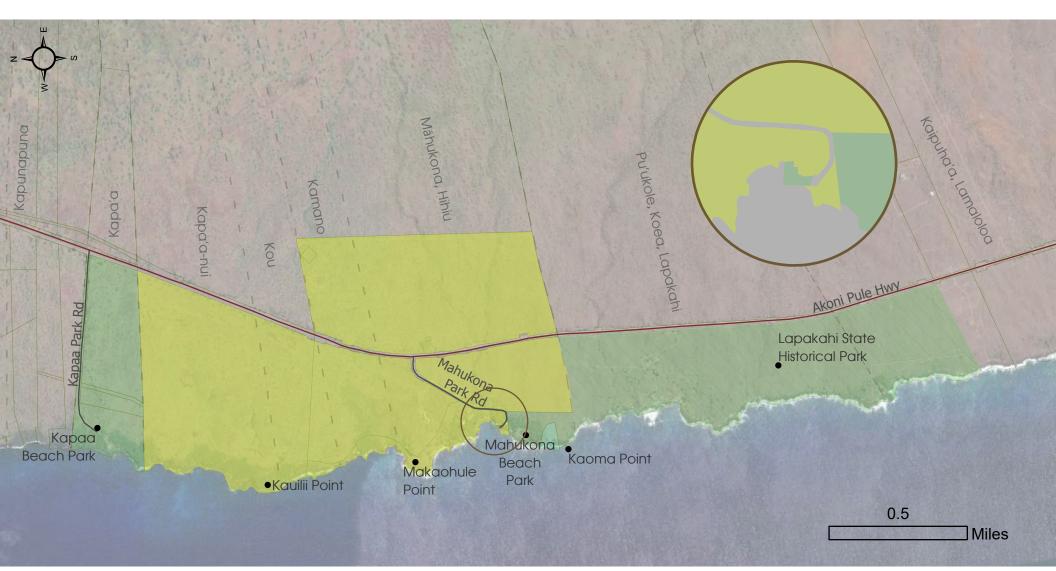
- Led **30 Talk Story on the Land Hikes** across the islands, sharing the importance of mālama 'āina with over 100 participants
- Taught 566 students in āina-based education on HILT preserves and developed 12 educational videos being used by teachers across Hawai'i
- Distributed 600 Ahu'awa seed packets to 4 elementary schools
- Provided **23** high school and college internships in natural and cultural resource management and land protection
- Welcomed **26,300** visitors to our preserves across Hawai'i
- Hosted **966** campers at HILT preserves
- 15 'āina & kai-based cultural practices perpetuated on HILT's preserves

- Significantly advanced **8** protection projects to close in 2021 through 2023
- Increased capacity to own and steward land in 8 communities
- Signed **5-year** Agricultural Conservation Easement Program Agreement with Federal Agency NRCS
- Added 1 new position to lead HILT's Protect work. Shae Kamaka'ala was hired as HILT's Director of 'Āina Protection based on Hawai'i Island in February 2020
- Developed **1** Community Guide to Land Conservation in Hawai'i in partnership with The Trust for Public Land
- Achieved **#1** ranking for HILT's Māhukona Project by the County of Hawai'i Public Access, Open Space and Natural Resources Commission
- Hired 3 part-time stewardship & education staff at Kāhili Beach Preserve on Kaua'i in March 2020
- Hosted **2** Community Kilo Programs at Kāhili Beach Preserve and Maunawila Heiau Complex
- Cleared **2** streambeds to prohibit flooding issues at Kālepa Stream (which now flows to the ocean) at Waihe'e Refuge, and Puna'iki Stream at Maunawila Heiau Complex
- Removed invasive plants from **2** acres at Waihe'e Refuge, Nu'u Refuge, Maunawila Heiau Complex, and Kāhili Beach Preserve
- Obtained State LUC approval to retain agricultural designation on the makai portion of Kūkūau Forest to actively restore the forest
- Mapped l cultural site Kealaka'ihonua heiau on Waihe'e Refuge
  Expanded ¼ acre of native habitat at Waihe'e Coastal Dunes &
- Wetlands Refuge
- Trained **9** teachers in conservation career pathways and 'āina-based education in partnership with KUPU
- Staff presented at **3** different local and national conferences
- Ran **2** after school youth education programs at Maunawila Heiau Complex and Kāhili Beach Preserve
- Created 2 Virtual Tours for Waihe'e and Maunawila
- Developed **2** QR Code Self-Guided Tours in English and 'Ōlelo Hawai'i at Maunawila Heiau Complex
- Created 1 new position to lead HILT's Connect work, Makana Reilly transitioned to HILT's Director of 'Āina Connection based on Kaua'i

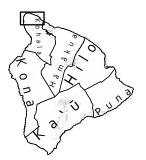


# MĀHUKONA NAVIGATIONAL AND CULTURAL COMPLEX

KAPA'A NUI, KOU, KAMANO, MĀHUKONA, HIHIU, AND KAOMA AHUPUA'A, KOHALA, HAWAI'I ISLAND







# Map Key Project Area (642 acres) State of Hawaii United States of America Ahupuaa Tax Map Boundaries



# Hawaiian Islands Land Trust Māhukona Navigational & Cultural Complex, Kohala Coast, Hawaiʻi Island

#### **List of Support Letters Received**

August 2020

- 1. Ka Ua Paliloa, Pūnana Leo o Waimea (Maluhia O'Donnell)
- 2. The Kohala Center (Cheryl Lupenui)
- 3. Hui Aloha Kīholo (Nahaku Kalei)
- 4. Waikōloa Dry Forest (Jen Lawson)
- 5. Kohala Institute (Kamana'opono Crabbe)
- 6. Kuamo'o Foundation (Lehua Kaulukukui)
- 7. Polynesian Voyaging Society (Clyde Namu'o)
- 8. USGS, Pacific Island Ecosystems Research Center (Gordon Tribble)
- 9. Kohala, Hawai'i Resident (Michael Frailey)
- \* 10. Kohala Unupa'a & Kohala, Hawai'i Resident (Hokani K. Maria)
  - 11. Kohala Unupua'a & Kohala, Hawai'i Resident (Johnelle "Amoo" Ching Kainoa)
  - 12. Kohala Lihikai & Kohala, Hawai'i Resident (Joseph A. Carvalho)
  - 13. Nā Kālai Wa'a o Kaua'i and 'Ohana Wa'a (Dennis Chun)
  - 14. Hawai'i Wildlife Fund (Megan Lamson)
  - 15. **Huliaupa'a** (Kelley L. Uyeoka)
  - 16. Kānehūnāmoku Voyaging Academy (Ed Enos)
  - 17. Lonoa Honua LLC and Hālau 'Ōhi'a Hawai'i Stewardship Training Program (Kekuhi Kanahele)
  - 18. Hawai'i Institute of Pacific Agriculture (Dash Kuhr)

- 19. Moloka'i Resident & Navigator (Vernett "Penny" Martin)
- 20. Kona, Hawai'i Resident and Captain Navigator (Chad Kālepa Baybayan)
- \* 21. Stanford University (Peter Vitousek)
  - 22. Hilo, Hawai'i Resident (Pua Kanakaole Kanahle)
- \* 23. O'ahu Resident & Navigator (Bruce Blankenfeld)
- 24. Kohala, Hawai'i Resident (Wendy Noritake)
- 25. Kohala, Hawai'i Resident (Randee Golden)
- \* 26. Kamehameha Schools West Hawai'i Region (Alapaki Nahale-a)
  - 27. **Hui o Wa'a Kaulua** (Kala Tanaka)
  - 28. Nohopapa Hawai'i (Kelley L. Uyeoka)
  - 29. Ulu Mau Puanui (Kēhaulani Marshall)
  - 30. Nohopapa Hawai'i (Kelley L. Uyeoka)
  - 31. Edith Kanakaole Foundation (Kalāhoʻohie Mossman)
  - 32. Ala Kahakai Trail Association (Linda Kaleo Paik)
  - 33. Edith Kanakaole Foundation (Kalāhoʻohie Mossman)
  - 34. National Park Service, Ala Kahakai National Historic Trail (Aric Arakaki)
  - 35. Edith Kanakaole Foundation (Kalāhoʻohie Mossman)
- 36. **E Mau Nā Ala Hele** (Kamuela Plunkett)

# Hawaiian Islands Land Trust Māhukona Navigational & Cultural Complex, Kohala Coast, Hawaiʻi Island Support Petitions September 2020

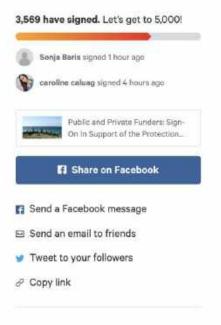
- 1. **Māhukona 'Ohana Support Petition (47 Individual Supporters):** Nā Kālai Wa'a and HILT gathered with 'ohana who were born and raised in Māhukona to share about our efforts. A simple paper petition to support the protection of Māhukona was circulated that day where approximately 47 individual supporters signed on in support.
- Protect Māhukona Online Petition Results (3,569 Individual Supporters): As of 9/22/2020, HILT has received over 3,569 support signatures from individuals throughout Hawai'i County, the State of Hawa'i, the continent, and the Pacific. The petition will remain live in preparation for the State Legacy Land Conservation Program application. The petition is accessible at: <u>https://www.change.org/protectmahukona</u>.



Support for the Protection of Māhukona

Hawaiian Islanda Land Trust started this petition to Public and Private Funders

Hawaiian Islands Land Trust (HILT) and Nā Kālai Wa'a, 501(c)(3), have partnered to purchase and permanently protect the Mâhukona Navigational and Cultural Complex, encompassing 642 acres and six ahupua'a along leeward Kohala, Hawai'i's cultural, agricultural, and coastal landscape. With its prime location and agricultural and resort land use designations, the lands of Māhukona are at risk to be sold to resort and high-scale residential developers.



Show this petition to more potential supporters

**Promote this petition** 

Hokani K. Maria Kohala Unupa'a P.O. Box 763 Akoni Pule Hwy 96755

August 22, 2020

# Aloha,

I Hokani Maria - Wa'a Nāhiku/Kohala Unupa'a, strongly support Hawaiian Islands Land Trust (HILT) and Nā Kālai Wa'a's initiative to raise public and private funding in order to purchase and permanently protect the lands of Māhukona, located along the Kohala, Hawai'i Island coastline, covering 642 acres and six ahupua'a (from south to north) Kaoma, Nihiu, Mahukona, Kamano, Kou, and Kapaa nui.

I have been part of Kohala Unupa'a starting as one of its first students as a youth in 5th Grade. Since then, I have recently graduated as Class of 2020 and now sit as an Alaka'i or Leader of Kohala Unupa'a and sit under our two Kumu or teachers. Its mission is to inspire youth to find and follow their path of heart, by facilitating re-connection with and stewardship of natural resources, Hawaiian culture, community, family and oneself. While being in Kohala Unupa'a, we have frequented Māhukona for historical and cultural purposes, also to mālama or take care of Māhukona by picking up rubbish while on hikes and learning of its historical purposes. We also have been fortunate to work alongside Nā Kālai Wa'a with our program at Māhukona as well. Also, our Kumu, Michelle "Hinano" Lewis, has cultural and historical ties to Māhukona and the Navigational Heiau, Ko'a Heiau Holomoana. Till today, we frequently visit Māhukona to mālama, or take care, in any way that we can. It is urgent to preserve and protect Māhukona because it holds such significant and unique aspects that are slowly decaying through time. But through the protection of Māhukona, it is the link that will connect us to the past. Its living monuments that still stand today are historical records that proves historical records as well.

I, Hokani Maria, support a conservation purchase and permanent protection of Māhukona for future years and future caretakers of Māhukona. By permanently protecting Māhukona's prominent Hawaiian cultural landscape, it will further help to preserve the ancient heiaus and many cultural sites that still today are cared for by local 'ohana and practitioners of the Hawaiian Culture. This will also help protect the integrity and continuation of the area's ongoing cultural, religious, and fishing practices. Through the permanent protection of Māhukona, it will help to prohibit future development of Kohala's significant cultural lands. With the lands of Māhukona at a prize location, it could be an easy ticket for resorts and residential developers to purchase Māhukona. Described in the North Kohala Community Development Plan, it envisions a conservation corridor and protection of view places that will be achievable through the permanent protection of Māhukona.

I ka wā ma mua, ka wā ma hope... The future is found in the past. Let us hold on to our cultural historical sites while we are able to. For one day, they will change lives and the future of one's lifetime as it has to mine.

Mahalo,

# Hokani K. Maria

Hokani K. Maria Haumana O Kohala Unupa'a Bruce Blankenfeld 440 Puamamane Street Honolulu, HI 96821

August 23, 2020

#### Aloha Mai,

My name is Bruce Blankenfeld of Niu, Oʻahu and I write this letter of commendation and support for the Hawaiian Islands Land Trust (HILT) and Nā Kālai Waʻa's initiative to raise public and private funding in order to purchase and permanently protect the lands of Mahukona, located along the Kohala, Hawaiʻi Island coastline, covering 642 acres and six ahupuaʻa (from south to north) Kaoma, Nihiu, Mahukona, Kamano, Kou, and Kapaa nui.

My family and I have ties to the ocean that connect us to the islands of the Pacific and the world. It is through these connections that we have developed a respect and kinship to Ko'a Heiau Holomoana and the 'āina both above and below the surface of the ocean, at Mahukona, Hawai'i. Time and time again, the stories of this 'āina bridge ancestral wisdom to the learning of value and skill with their descendants. Ko'a Heiau Holomoana is a beacon that calls and speaks to the the skill of non-instrument navigation, and captures the intelligence of the land mass and sea scape surrounding it, to train the mauli of a new generation of 'aukai and ho'okele wa'a. Indeed, it is absolutely essential that the integrity of these lands, their cultural sites, and panoramic view plains remain open and unobstructed so that these stories and practices live.

WE are in full support of the purchase of the 'āina at Mahukona and strongly advocate for its permanent conservation and protection for these reasons below:

- Effectively prohibit future subdivision and development of Hawai'i's agricultural lands, while protecting Kohala's agricultural tradition of the Kohala Field System. With its prime location and agricultural and resort land use designations, the lands of Mahukona are at risk to be sold to resort and high-scale residential developers.
- Permanently protect Mahukona's prominent Hawaiian cultural landscape and the hundreds of ancient heiau and cultural sites still cared for by 'ohana and practitioners, while protecting the integrity and continuation of the area's ongoing cultural and religious practices including but not limited to non-instrumental navigation and subsistence fishing practices.
- Protect and provide restoration opportunities of Mahukona's 'Iliahi (*Santalum freycinetianum*) habitat.
- Maintain recreational use of the area's trails and swimming areas.
- Successfully complete a portion of the conservation corridor, connecting the protection of Lapakahi State Historical Park to the south to the County's Kapa'a Beach Park to the north, effectively contributing to the Kohala community's vision for a conservation corridor and protection of scenic view planes as outlined in the North Kohala Community Development Plan.
- Ensure the integrity and health of Mahukona's ocean resources, including endemic and endangered marine species.
- Use of public funds for the protection of Mahukona is a proactive opportunity for the County and State to uphold their constitutional obligations to protect Native Hawaiian subsistence, cultural, and religious practices and Public Trust resources.

Allowing future development, be it resort, commercial, or residential will create adverse consequences for the cultural integerity of the area. If such development occurs, we will surely lose a unique and valuable asset for the generations to follow. This endeavor of support will be a blessing and an achievement for Mahukona, Kohala, and all people of Hawai'i. Thank you for your consideration and support of this movement. It is within our power to be the change that we envision for this world.

Mahalo nui,

Bruce Bar Efort

Bruce Blankenfeld PWO Navigator, Crew Training Coordinator, Polynesian Voyaging Society Foreman, McCabe Hamilton and Renny Long Distance Paddler and Coach, Hui Nalu Canoe Club



Dr. Pualani Kanaka'ole Kanahele 1110 'Auwae Road Hilo, Hawai'i Aug. 23, 2020

Aloha mai,

I am honored to write this letter in support of Hawaiian Islands Land Trust (HILT) along with Nā Kālai Wa'a concerning their need to raise public and private funds. Their desire to purchase the lands, which they are kama'āina to and the organization they are involved with and have utilize this 'āina for many years, are commendable. Their need to perserve and protect the land and ocean along with the cultural objects which were probably constructed by some of their kūpuna comes with a deep understanding of who and where they are. These ahupua'a of Hawai'i is located at, from south to north, Kaoma, Nihiu, Māhukona, Kamano, Kou and Kapa'anui. This section of land includes 642 acres.

I am of pure Hawaiian ancestry and know that my mother, Edith Kanaka'ole's, family are from that area of Kohala. I am passionate about maintaining land in their original form because of what the land has to offer. In this case it is the land combined with the ocean that is valuable. In Hawai'i it has never been what we as people can do to the land to make it valuable but what the land and the ocean has to offer. This lesson has never been learned. There seems to be a continuity of overbuilding until the environment is unrecognizable. The land developers than feel like they've done a good job!

I am a Board member of the Edith Kanaka'ole Foundation whose mission is to elevate Hawaiian intelligence in relationship to land, to sky, to ocean, to the native forest, to the mountains and to all natural life forms of these islands. I am a Kumu Hula with Hālau o Kekuhi and have danced and chanted mele oli throughout my life. The chants provide a more indepth images of Hawai'i's environment. I am also a retired professor from the University and Community Colleges of Hawai'i. I taught in the system for 35 years and my preference was teaching about this 'āina from 'Āpapalani or the top of the atmospheric mountain to moana uli or hadalpelagic depths of the ocean.

Nā Kālai Wa'a have proven their transparency with passion, sincerity and protection in land and ocean management in the areas as listed above. Therefore my full support is owed the above organizations for their efforts of conservation purchase and permanent protection of Māhukona:

-Effectively prohibit future subdivision and development of Hawai'i's agricultural land while protecting Kohala traditional Field System. The prime location of agricultural, resort and land use designations, the lands of Māhukona are at risk to be sold to resort and high-scale residential developers.

-Permanently protect Māhukona's prominent Hawaiian landscape with the numerous ancient Hawaiian religious, cultural and sacred sites should be and will be cared for by kama'āina and 'ohana practitioners of the above areas.

-Protect and restore Māhukona's 'Iliahi (santalum freycinetianum) habitat.

-Maintain use of old trails and swimming areas.

-Successfully complete a portion of the conservation corridor, connecting the protection of Lapakahi State Historial Park and along the north coast to the County's Kapa'a Beach Park, effectively contributing to Kohala's community's vision for conservation corridor and protection of scenic viewplanes as outlined in the North Kohala Comminity Development Plan.

-Ensure the integrity and health of Māhukona's ocean resources, including endemic and endangered marine species.

-Use of public funds for the protection of Māhukona is a proactive opportunity for the County and State to uphold their constitutional obligations to protect native Hawaiian subsistence, cultural and religious practices and Public Trust resources.

Mahalo for your sincere consideration of the request by HILT and Nā Kālai Wa'a in their pursuit of this initiative to raise public and private funds for a most worthy cause.

E hoʻōla a hoʻopalekana kēia ʻāina, Keep safe and protect this land, 'O wau nō ʻo Pualani Kanakaʻole Kanahele



21 'Aukake, 2020

# Aloha,

Kamehameha Schools' West Hawai'i Region strongly supports Hawaiian Islands Land Trust (HILT) and Nā Kālai Wa'a's initiative to raise public and private funding in order to purchase and permanently protect the lands of Māhukona, located along the Kohala, Hawai'i Island coastline, covering 642 acres and six ahupua'a (from south to north) Kaoma, Nihiu, Mahukona, Kamano, Kou, and Kapaa nui.

Kamehameha Schools has land holdings in nearby areas including, but not limited to the ahupua'a of Puanui, and the area of Kokoiki, the birthsite of Kamehameha I. We also support a number of community organizations, including Nā Kālai Wa'a, in cultural and educational programming for our island wide communities.

The following highlights the main reasons we support a conservation purchase and permanent protection of Māhukona:

- Effectively prohibit future subdivision and development of Hawai'i's agricultural lands, while protecting Kohala's agricultural tradition of the Kohala Field System. With its prime location and agricultural and resort land use designations, the lands of Māhukona are at risk to be sold to resort and high-scale residential developers.
- Permanently protect Māhukona's prominent Hawaiian cultural landscape and the hundreds of ancient heiau and cultural sites still cared for by 'ohana and practitioners, while protecting the integrity and continuation of the area's ongoing cultural and religious practices including but not limited to non-instrumental navigation and subsistence fishing practices.
- Protect and provide restoration opportunities of Māhukona's 'Iliahi (*Santalum freycinetianum*) habitat.
- Maintain recreational use of the area's trails and swimming areas.
- Successfully complete a portion of the conservation corridor, connecting the protection of Lapakahi State Historical Park to the south to the County's Kapa'a Beach Park to the north, effectively contributing to the Kohala community's vision for a conservation corridor and protection of scenic viewplaes as outlined in the North Kohala Community Development Plan.
- Ensure the integrity and health of Māhukona's ocean resources, including endemic and endangered marine species.
- Use of public funds for the protection of Māhukona is a proactive opportunity for the County and State to uphold their constitutional obligations to protect Native Hawaiian subsistence, cultural, and religious practices and Public Trust resources.

567 South King Street, Honolulu, Hawai'i 96813 Telephone (808)523-6380 Fax (808)541-5305 Founded and Endowed by the Legacy of Princess Bernice Pauahi Bishop Through our longstanding partnership with Nā Kālai Wa'a, we have witnessed the deep community connections they have created through service and education. We know that they will continue to serve and engage the community with high quality programs and projects as they collectively steward Mahukona for generations to come.

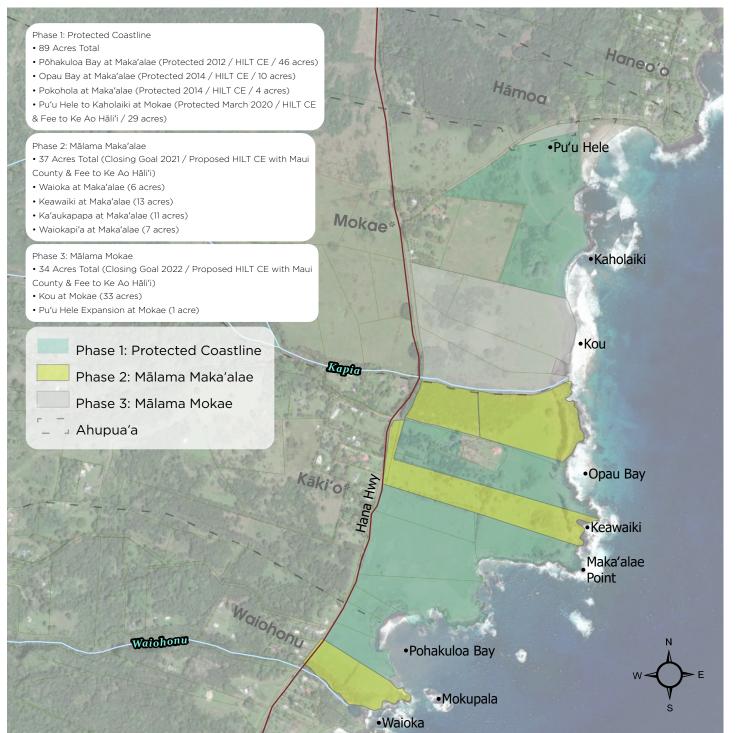
Me ka ha'aha'a,

an Ml

Alapaki Nahale-a Senior Director of Community Strategies Kamehameha Schools, Strategy & Transformation Group

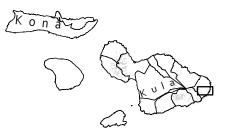
# SAVE HĀNA COAST: MOKAE TO MAKA'ALAE

WAIOHONU, KĀKI'O, AND MOKAE • HĀNA • MAUI



















February 9, 2021

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Livable Hawaii Kai Hui is a 501c(3) non-profit, community organization serving East Honolulu since 2004. We strive to promote sensible growth, respect for cultural & natural resources and upholding the integrity of the East Honolulu **Sustainable Communities** Plan.

Senate Committee on Ways & Means Wednesday, February 10, 2021, 10:00 a.m. Conf. Rm. 211

RE: Livable Hawaii Kai Hui's Testimony Regarding SB 1092

Aloha Chair Dela Cruz, and Honorable Senators,

Livable Hawaii Kai Hui strongly opposes SB 1092, which would suspend deposits into the Legacy Land Conservation Fund for the next two fiscal years. We believe prudent efforts to address current economic impacts should not come at the expense of our conservation lands and the many communities that has benefited from the Legacy Land Conservation Program and those currently counting on the program

Our organization successfully acquired Hāwea Heiau & Keawāwa Wetlands (4.5 acres) and the Ka Iwi Mauka lands (182 acres) in east Honolulu because of grant contributions through the Legacy Land Conservation Fund. During the challenges brought by the COVID-19 pandemic in the past year, Livable Hawaii Kai Hui has experienced increased public interest through self-management malama volunteer opportunities and people yearning to connect with their own communities.

The Legacy Land Conservation Program has been invaluable to our community, allowing our organization to preserve the last undeveloped parcels of a scenic shoreline, a Heiau, and a wetland preserve. We support other local communities throughout the State who want to conserve their own special places, and therefore believe that continued funding for the Legacy Land Conservation Fund serves an even larger purpose in this current environment.

We are extremely grateful to the Legislature for establishing this incredible program that has and will benefit so many generations. Suspending fund deposits will hurt our natural resources and the many communities that have come together to serve our lands. Please help our local communities and preserve current funding for the State Legacy Land Conservation Program.

Mahalo for the opportunity to comment.

Elizabeth Reilly Founder/President Livable Hawaii Kai Hui Kendrick S. Chang Community Outreach Livable Hawaii Kai Hui





Testimony Before The Senate Committee on Ways & Means <u>IN OPPOSITION TO SB 1092 (Halting the Land Conservation Fund)</u> Wednesday, February 10, 2021, 10:00AM, Room 211

Aloha Chair DelaCruz and Committee members,

We ask that you hold this drastic measure that halts one of the most successful and beneficial programs in the State. This bill would compound the suffering from Covid that many communities are facing. Cutting off the lifeline to preserve Hawaii's most treasured lands and waters would do real damage. The Land Conservation fund directly benefits communities!

In 2017 the spring source feeding the Kanewai Fishpond and the Paiko Fishery was without protection and for sale. Our community felt helpless as our spring water source lay in critical danger of being destroyed. Since it lay on private land, there was little anyone could do. Without the Land Conservation Fund to purchase Kanewai Spring, the dependent fishery and fishpond would likely have been ruined by planned development at the spring.

Fortunately, Maunalua Fishpond Heritage Center and the Trust for Public Land secured funding from the Land Conservation Fund to purchase our community's spring water source. The Fund allowed the community to leverage one million dollars in City funding, and substantial donations from the community to purchase and preserve Kanewai Spring. We ask that you keep this critical fund alive for Hawaii's communities and families.

Mahalo for the opportunity to comment,

Chris Cramer

Executive Director,

Maunalua Fishpond Heritage Center



The Nature Conservancy, Hawaiʻi Program 923 Nuʻuanu Avenue Honolulu, HI 96817 Tel (808) 537-4508 Fax (808) 545-2019 nature.org/hawaii



## Testimony of The Nature Conservancy of Hawai'i Opposing Senate Bill 1092 Committee on WAYS AND MEANS Wednesday, February 10, 2021, 10:00 AM, Room 211

The Nature Conservancy of Hawai'i is a non-profit conservation organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 preserves and work in over 30 coastal communities to help protect the near-shore reefs, waters and fisheries of the main Hawaiian Islands. We forge partnership with government, private parties and communities to protect forests and coral reefs for their ecological values and the many benefits they provide to people.

Senate Bill 1092 proposes that for Fiscal Years 2021-2022 and 2022-2023, the Land Conservation Fund would not receive an annual disposition of taxes collected from real estate conveyance taxes under Section 247-7, Hawaii Revised Statutes (HRS), and require reenactment of the provision after the scheduled repeal of the proposed measure. The Nature Conservancy opposes SB 1092 if base levels of funding to support operations of the Legacy Land Conservation Program would be eliminated. In the absence of conveyance tax revenues, the Department of Land and Natural Resources, which operates the LLCP, could have insufficient operational funds to support the base operations of the LLCP.

The Conservancy is also concerned that the existing distribution of conveyance tax revenues to the Land Conservation Fund would not resume under the reenactment mechanism proposed in Section 4. If deposits in the Land Conservation Fund are paused and the entire LLCP is paused, Hawai'i will be unable to leverage millions of federal dollars that can provide up to 75% of matching funding because Hawai'i has a dedicated source of conservation funding with the Land Conservation Fund. Passage of the Great American Outdoors Act in the Summer of 2020 fully funded the Land and Water Conservation Fund at \$900 million annually resulting in an increase in federal funding for conservation programs. Pausing the LLCP would limit conservation opportunities in Hawai'i at arguably one of the most important times to focus on the protection of our natural, cultural resources.

Mahalo for the opportunity to testify.

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# <u>SB-1092</u>

Submitted on: 2/10/2021 9:07:22 AM Testimony for WAM on 2/10/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
lukanicole Zavas	Individual	Oppose	No

Comments:

Aloha kĕ kou,

I am writing to oppose the halting of deposits into the Legacy Land Conservation Fund for 2 fiscal years. This is because the Legacy Land Conservation fund is critical in assisting public agencies and nonprofits (i.e. Livable Hawai'i Kai Hui, Hakipu'u Lo'i Kalo, Maunalua Fishpond Heritage Center) to protect important agricultural, cultural and natural resource lands. These lands are not only important for our human community, but also for our native (mostly endangered) species by creating habitats within our urban cities and caring for current ones.

Mahalo,

Luka