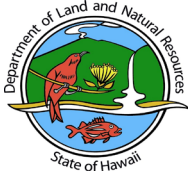


DAVID Y. IGE
GOVERNOR OF HAWAII



**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**

**Thursday, March 4, 2021
1:30 PM**

State Capitol, Via Videoconference, Conference Room 211

**In consideration of
SENATE BILL 176
RELATING TO PUBLIC LANDS**

Senate Bill 176 proposes to authorize the Board of Land and Natural Resources (Board) to sell parcels of Sand Island Industrial Park to a lessee under a master lease. **The Department of Land and Natural Resources (Department) strongly opposes this measure.**

The Department issued the Sand Island Business Association (SIBA) a 55-year master lease for industrial park purposes under General Lease No. S-5261 commencing on July 1, 1992. The lease was directly negotiated with SIBA pursuant to Section 171-141(a)(5), Hawaii Revised Statutes (HRS), which allows for direct leases for industrial park purposes. SIBA sublets the leased land to tenants operating about 85 businesses covering 112 leasable lots on about 59 acres of public lands at Sand Island, Oahu.

SIBA and its tenants developed the industrial park and provided the necessary infrastructure, such as roads, sewers, drains, and utilities, at their cost. To defray this large upfront outlay, SIBA negotiated below market rental rates for the first 25 years of the lease term. On the 25th year of the lease, rents were reopened at market rates, with additional reopenings scheduled for the 35th and 45th years of the lease. The lease also provides for step-ups of 22.5% in rent over the reopened market rent at the 30th, 40th and 50th years of the term. The step-ups are intended to make the Department whole for the below market rents paid in the first 25 years.

The current annual lease rent of \$9,285,600 is deposited in the Special Land and Development Fund (SLDF). The SIBA lease rents account for about half of the revenues the Department's Land Division generates annually. SLDF revenues cover the entire annual operating budget for the Land Division, the Department's Office of Conservation and Coastal Lands, and the Dam Safety and Mineral Resources Programs of the Department. The revenues fund over 80 Department staff

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

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

positions, including six positions within the Commission on Water Resource Management, and provide funding support to the Division of State Parks and various resource protection programs administered by the Division of Forestry and Wildlife such as the protection of threatened and endangered species, removal of invasive species, wildland firefighting and lifeguard services. Revenues collected by other divisions have supported watershed protection, preservation of cultural and historical sites and public recreational resources.

The sale of the parcels in the industrial park would deprive the SLDF of a critical income source, and severely compromise the Department's operations. Instead of lease rent for the next 25-30 years, the SLDF would instead receive the income from the fee sales. However, those revenues would be split between the SLDF and the general fund. Furthermore, if the revenues from the sales exceed the spending authority of the SLDF, the surplus funds could also be subject to raids and diverted to the general fund as well, leaving the Department with no revenues from the sale or future lease rent.

In addition to depriving the Department of a critical rental income stream, this bill would allow the sale of parcels of the industrial park before the Department has recouped fair market rents it is entitled to under the master lease. As noted above, SIBA paid below market rents for the first 25 years of the lease. The step-ups in the last 30 years of the lease were intended to make the Department whole in terms of fair market rent. The lease is now in its 29th year, meaning that fee simple sales of parcels occurring after the potential passage of this bill stand to deprive the Department of its delayed receipt of fair market rent. It hands a windfall to SIBA and its tenants.

The Department further notes that the Board already has the legal authority to sell public lands in fee simple, so this measure is unnecessary in that respect. Nevertheless, the Board and Department have adopted a strong stance of opposing the sale of public lands (aside from remnant parcels) as contrary to public trust obligations. This measure goes further to waive legislative review and approval for a sale of critically important public lands as required by statute. Pursuant to Section 171-64.7, HRS, any sale of State-owned lands is subject to two thirds approval of both houses of the legislature. Originally enacted as Act 176, Session Laws of Hawaii 2009 (SLH), the intent of the legislation was to preserve the oversight role for the Legislature in the process and ensure that key information about certain sales or exchanges of land was shared with the Legislature due to the final and permanent nature of land sales. Aside from the loss of a significant continuing, long-term revenue source for the Department, this measure could set a troublesome precedent by creating exceptions that circumvent Act 176, SLH 2009. It is further perplexing that this measure applies such an exception to public lands of high significance.

Finally, the Department opposes limiting the sale of the parcels solely to the current lessee. If the true intent of this measure is to assist the State in generating revenues during these dire financial times, then limiting the field to only a select parcel of land and a few chosen purchasers would only hamper that objective. Rather, in order to obtain the maximum revenues possible, perhaps the authority to sell should include all State lands and should utilize an open competitive process such as public auction, with the upset price starting at the fair market value as determined by appraisal, with supermajority legislative oversight in accordance with Section 171-64.7, HRS.

Thank you for the opportunity to comment on this measure.

SB-176

Submitted on: 3/3/2021 9:27:19 AM

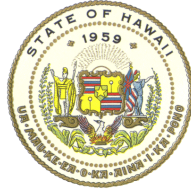
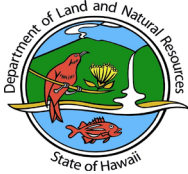
Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Moore	Testifying for DLNR	Oppose	No

Comments:

I am available for questions. Please allow me Zoom access. Thank you.

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GOVERNOR OF HAWAII



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Finally, the Department opposes limiting the sale of the parcels solely to the current lessee. If the true intent of this measure is to assist the State in generating revenues during these dire financial times, then limiting the field to only a select parcel of land and a few chosen purchasers would only hamper that objective. Rather, in order to obtain the maximum revenues possible, perhaps the authority to sell should include all State lands and should utilize an open competitive process such as public auction, with the upset price starting at the fair market value as determined by appraisal, with supermajority legislative oversight in accordance with Section 171-64.7, HRS.

Thank you for the opportunity to comment on this measure.

SB-176

Submitted on: 3/3/2021 10:25:52 AM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert K. Masuda	Testifying for DLNR	Oppose	No

Comments:

I am available for questions. Please allow me Zoom access. Thank you.

SB-176

Submitted on: 2/28/2021 11:58:26 AM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
janice palma-glennie	Testifying for Surfrider Foundation's Kona Kai Ea chapter	Oppose	No

Comments:

Aloha,

Our group strongly opposes the sale of this public land.

Per the blog iLind:

Testimony presented on behalf of then-Attorney General Mark Bennett said the measure would be unconstitutional.

"This bill requires the Department of Land and Natural Resources to offer for sale or exchange parcels of Sand Island. Article XI, Section 5 of the Hawaii Constitution states that "The legislative power over the lands owned by or under the control of the State...and its political subdivisions shall be exercised only by general laws...." Given this directive, this bills requirement to sell the parcels at Sland Island would be unconstitutional.

The latest bill appears to also be an unconstitutional special interest bill singling out one organization. I understand why they took this risk. It's just that there's no way SIBA could sell the idea that all public land should be offered for sale to lessees."

Kona Kai Ea agrees with past Attorney General Mark Bennett's assessment of this type of action, and we ask that, for those and many other reasons that relate to the public good and their Public Trust resources, every legislator votes "NO!" on this onerous bill, SB176.

mahalo and sincererly,

janice palma-glennie

for Surfrider Foundation's Kona Kai Ea chapter


OFFICE OF HAWAIIAN AFFAIRS
‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai
Legislative Testimony

SB176
RELATING TO PUBLIC LANDS
Ke Kōmike ‘Aha Kenekoa o ke Ki‘ina Hana a me nā Kumuwaiwai
Senate Committee on Ways and Means

Malaki 4, 2021

1:30 p.m.

Lumi 211

The Office of Hawaiian Affairs (OHA) **OPPOSES** SB176, which would allow the Department of Land and Natural Resources (DLNR) to sell the fee-simple interest in valuable and substantial revenue-generating “ceded” lands in any state-owned industrial park to an existing lessee. OHA notes that stated purpose of this bill is to specifically allow DLNR to sell off parcels in the Sand Island Industrial Park, which is composed of “ceded” lands, to the Park’s current lessee, the Sand Island Business Association (SIBA).

OHA objects to the sale or alienation of “ceded” lands, and has consistently held the position that the State must maintain the “ceded” lands corpus until the Native Hawaiian peoples’ claims to the “ceded” lands have been resolved.ⁱ Any further diminishment of the “ceded” lands corpus will negatively impact reconciliation efforts between Native Hawaiians and the State, and will severely inhibit their ability to achieve a comprehensive, just, and lasting resolution of the historic injustices experienced by the Native Hawaiian people.

OHA notes that the lands leased to the SIBA are comprised of lands “ceded” to the United States as a result of the unlawful overthrow of the Kingdom of Hawai‘i.ⁱⁱ While the timing of the transfer of the subject lands in Sand Island from the federal government to the Territory of Hawai‘i may render them as “section 5(a)” lands from which OHA receives no Public Land Trust revenues, their nature as government lands at the time of annexation places these lands squarely within the “ceded” lands corpus.ⁱⁱⁱ

OHA accordingly opposes SB176 because of its express purpose to authorize the contemplated fee-simple sale of “ceded” lands to SIBA, and its proposed statutory language which would allow any other existing lessee of industrial park lands to purchase their leased, and potentially “ceded,” lands.

OHA further notes that the loss of Sand Island may also lead to a significant loss of reliable and consistent revenue for the protection, conservation, and management of our natural and cultural resources. For these reasons, DLNR has historically been reluctant to consider any sale of the Sand Island lands, with DLNR staff noting that Sand Island is “its single most important revenue asset.”

Accordingly, in light of the above concerns, OHA respectfully recommends that any proposal to alienate the State’s fee interest in Sand Island’s “ceded” lands include, at minimum, the addition of private lands to the “ceded” lands corpus, to be thereafter considered to have the status of “ceded” lands, and that (1) would have a significantly greater value than what Sand Island has been valued at (\$175 million in 2013) and that (2) would provide an equal or greater present income stream that would allow the State and the DLNR to maintain revenue streams that would be lost with the termination of the current lease scheme for the subject Sand Island lands.

Therefore, OHA urges the Committee to **HOLD** SB176. Mahalo nui loa for the opportunity to testify on this important issue.

ⁱ See, e.g., P.L. 103-150 (1993) (“[T]he Republic of Hawaii . . . ceded 1,800,000 acres of crown, government and public lands of the Kingdom of Hawaii, without the consent of or compensation to the Native Hawaiian people of Hawaii or their sovereign government”).

ⁱⁱ See FINAL REPORT ON THE PUBLIC LAND TRUST, A REPORT TO THE LEGISLATURE OF THE STATE OF HAWAII 50 - 52 (1986) (“Sand Island is all ceded lands.”).

ⁱⁱⁱ *Id.* at 51 (noting that 202 acres of land in Sand Island was transferred to the Territory of Hawai’i just one day before statehood, rendering them as 5(a) and not 5(f) lands); *contrast id.* at 51 (“It is our finding that the DLNR’s classification of lands on Sand Island [as 5(a) lands] is technically correct. However, we believe that all of Sand Island is considered a part of the trust established by section 5(f) of the Admission Act and possibly subject to HRS chapter 10”).

Kūpuna for the Mo'opuna
committed to the well-being of Hawai'i for the next generations to come
kupuna4moopuna@gmail.com



STOP LEGAL THIEVERY!

Committee on Ways and Means

Chair Dela Cruz & Vice Chair Keith-Agaran
Thursday March 4, 2021 @ 1:30PM

Testimony of Kūpuna for the Mo'opuna

SB 176 – RELATING TO THE SALE OF PUBLIC LANDS FOR PRIVATE PROFIT.

STRONG OPPOSITION

SB 176 constitutes a breach of trust. The State's fiduciary duty as trustees of the Public Land Trust must be of the most exacting of fiduciary standards.

Before voting on this measure, we urge you to watch the video "PUBLIC LAND TRUST: JUSTICE DELAYED IS JUSTICE DENIED" **to understand the word public.**

<https://www.kamakakoi.com/plt>



Ua mau ke ea o ka 'āina i ka pono!



PO Box 17603 • Honolulu, HI 96817-0603 • (808) 842.1359 • Fax (808) 841.1270
info@sibahawaii.org • www.sibahawaii.org

March 4, 2021

Senate Committee on Ways and Means
The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice-Chair
Hawaii State Capitol Room 208
Honolulu, Hawaii 96813

Re: Senate Bill 176 Relating to Public Lands

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the Ways and Means committee,

My name is Milton Holt, and I am testifying in support of Senate Bill 176 on behalf of 111 small business members of Sand Island Business Association (SIBA). This bill authorizes the board of land and natural resources to sell the fee simple interest in a parcel of industrial park land to a lessee of that parcel under an existing lease.

The idea of selling industrial park land is not new. Act 235, Session Laws of Hawaii 2011, authorized DLNR to consider the sale of Sand Island Industrial Park parcels to the tenants. A November 2011 Report to the Legislature prepared by DLNR included reference to an independent appraisal firm's determination that the current 2011 fee simple value (i.e., the sales price) of the SIBA lands is \$97,206,800. DLNR and SIBA were unable to reach agreement on the sales price as provided for in Act 235. SIBA members have expressed a strong interest in purchasing the fee interest of their leasehold properties, and that as the lease period shortens, it becomes more difficult for the members to rely on the leasehold as an asset when attempting to secure bank loans for additional improvements. These small businesses rely on its ability to plan for the future and hope to be able to reinvest and continue upgrading the industrial park through fee ownership. Professional real estate appraiser Jon Yamaguchi estimates that the state revenues generated by this bill would amount close to \$200 million dollars, which shall be distributed in equal amounts to the state general fund and the special land and development fund. These monies will significantly help to balance the State's budget and manage the projected shortfall due to the SARS-CoV-2 pandemic.

SIBA would also appreciate your assistance in addressing our rent escalation of 22.5% at the end of the fifth year of each ten-year reopening period. The step-up was intended to compensate the State for discounted rent in the first 25 years of the lease. However, SIBA contends that rent for the first 25 years was reasonable rent, not discounted rent, due to SIBA's immense investment in excess of \$41 million that was necessary to develop the industrial subdivision that had no infrastructure.

Thank you very much for the opportunity to testify in support of this bill.

Mahalo,

A handwritten signature in black ink, appearing to read "Milton Holt".

Milton Holt

Executive Director
Sand Island Business Association

Senate Bill 176 SD1

Senate Bill 176 is amended as follows:

Section 2. Section 171-136, Hawaii Revised Statutes, is amended to read as follows:

171-136 Disposition of public lands within industrial park.

(4) State industrial leases shall have rent escalation clauses that specify rental rates for a

5-year period shall not exceed the lower of the following two options:

***The Consumer Price Index (CPI, the average change in the cost of living over the 5-year period).**

***10%.**

June 25, 2019

SIBA Master Lease amendment

Master lease Section 3.2 (d)

(d) After each rental reopening, the annual rent for each of the sixth through tenth years of each Redetermination Period shall be the fair market value determined as hereinabove provided for the immediately preceding Redetermination Date [plus 22.5%].

Page 3 footnote 5:

The lease provides for a 22.5% rent increase at the end of the fifth year of each ten-year reopening period. The step-up was intended to compensate the State for discounted rent in the first 25 years of the lease.

SIBA History

SIBA, through sheer hard work and sacrifice of its small business member, undertook the risk of developing infrastructure into the park which at the time comprised of a raw, undeveloped parcel without any infrastructure – roads, utilities, pavements, lights, signage and landscaping – to the users. The property had very little economic value as it was reclaimed land that is located adjacent to the Sand Island sewage treatment facility, and is located on flood and tsunami zones, which makes the property severely vulnerable to natural disasters. However, during the first 20 years of SIBA’s tenancy, the small business member took on major financial risks and invested heavily in new capital and improved the property into an economic hub that it is today.

SIBA invested in excess of \$41,000,000, which was repaid by way of association dues collected from its small business members along with the on-going operation and maintenance costs of the infrastructure. Additionally, over \$55,000,000 was invested by the individual lessees to improve its individual leasehold properties.

According to the negotiators on rent for the first 25 years, the rent from \$0.48 psf to \$1.92 psf was agreed upon as reasonable rent, not discounted rent, due to the immense investment that was necessary to develop the industrial subdivision. There was no discussion or mention of compensating the State for discounted rent in the first 25 years of the lease. Therefore, the 22.5% is step-up is arbitrary in nature, unfair to SIBA, and should be addressed by both parties as part of the amendment and extension of General Lease No. S-5261.

Date	Annual Rent	Step-Up	SIBA Recommended Rent	Step-up
July 1, 2012 - June 30, 2017	4,908,284		4,908,284	
July 1, 2017 – June 30, 2022	9,285,600	89.2%	9,285,600	
July 1, 2022 - June 30, 2027	11,374,860	22.5%	10,186,303	9.7%
July 1, 2027 - June 30, 2032	13,628,400	19.8%	11,174,374	9.7%
July 1, 2032 - June 30, 2037	16,694,790	22.5%	12,258,288	9.7%
July 1, 2037 - June 30, 2042	18,314,800	9.7%	13,447,342	9.7%
July 1, 2042 - June 30, 2047	22,425,630	22.5%	14,751,734	9.7%
July 1, 2047 - June 30, 2052	24,613,800	9.7%	16,182,652	9.7%
July 1, 2052 - June 30, 2057	30,151,905	22.5%	17,752,369	9.7%
Total	146,499,785		109,946,946	

SB-176

Submitted on: 2/28/2021 2:05:23 PM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Hunt	Individual	Oppose	No

Comments:

SB176 is an insult to ALL Hawaii citizens.

SB176 is no more than a transfer of publicly owned land into SIBA's private hands, who seeking to benefit themselves at the public's expense.

As outlined below, which I hope you will read, fully research and understand, this exact same transfer sought by SIBA - seeking to benefit from the public trust PREVIOUSLY and it should be resoundingly quashed again! SHAME on SIBA!!!

From iLind.net:

The motto of the Sand Island Business Association (SIBA) should be something like “If at first you don’t succeed, try, try again.”

In the early 1990s, the group used its political connections to win both a very favorable lease for about 70 acres of state land on Sand Island for an industrial park, and then to obtain a very unusual grant of administrative control over the subleases to individual businesses. For most of the years since, SIBA has been pushing for the transfer of these public lands to SIBA in fee.

Over the past year, SIBA has been advocating on behalf of a special interest bill at the Honolulu City Council that would reduce real property tax payments by businesses with SIBA subleases, while simultaneously challenging its tax bills in state tax court.

This time around they’re at the legislature pushing [SB176](#), which would authorize the Board of Land and Natural Resources to sell parcels of the state-owned land within the Sand Island Industrial Park to lessees. The bill does not provide any public purpose for allowing the sell-off of these publicly-owned industrial lands beyond the general decline in state revenue caused by the current pandemic.

The bill has been scheduled for a public hearing in the senate next Thursday, March 4, before the Senate Ways and Means Committee chaired by Sen. Donovan Del Cruz. The [hearing is scheduled for 1:30 p.m.](#) Due to Covid, the capitol is closed to the public, and all hearings are being conducted by Zoom, and [written testimony, as well as remote testimony](#) via Zoom, are being accepted.

SIBA has tried this gambit several times over the years. Back in 2009, for example, [a similar bill](#) requiring the state to offer the Sand Island parcels to the lessees passed the Senate and one house committee before bogging down in House Finance.

Testimony presented on behalf of then-Attorney General Mark Bennett said the measure would be unconstitutional.

This bill requires the Department of Land and Natural Resources to offer for sale or exchange parcels of Sand Island. Article XI, Section 5 of the Hawaii Constitution states that “The legislative power over the lands owned by or under the control of the State...and its political subdivisions shall be exercised only by general laws....” Given this directive, this bill’s requirement to sell the parcels at Sand Island would be unconstitutional.

The latest bill appears to also be an unconstitutional special interest bill singling out one organization. I understand why they took this risk. It’s just that there’s no way SIBA could sell the idea that all public land should be offered for sale to lessees.

DLNR’s 2009 testimony said the original lease agreements do not contain any provisions entitling lessees any right to purchase the fee simple interest in the land. Further, the approximately 70 acres of the Sand Island Industrial Park now generate significant revenue that supports DLNR other programs.

“Such sale would not be in the best interest of the beneficiaries of the public land trust, the State, or the Department,” then Land Board Chair, Laura Thielen, testified.

The current measure, SB176, originally had a double referral in the Senate to both the Committee on Water and Land, and Ways and Means. However, on February 4, it was re-referred to WAM, cutting the Water and Land committee, which would generally have jurisdiction over bills regarding land issues, out of the process.

SB-176

Submitted on: 2/28/2021 5:00:54 PM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark A. Koppel	Individual	Oppose	No

Comments:

TESTIMONY IN STRONG OPPOSITION AGAINST SB176, A TRULY DISGUSTING BILL

MARK KOPPEL

UMAUMA, HI

Mahalo

Aloha Senators,

I agree with all of the following testimony:

SB176 is an insult to ALL Hawaii citizens. IT, AND ANY OTHER BILL LIKE MUST BE STOPPED. We are not stupid. We know exactly what this outrage is trying to do.

SB176 is no more than a transfer of publicly owned land into SIBA's private hands, who is seeking to benefit themselves at the public's expense.

As outlined below, which I hope you will read, fully research and understand, this exact same transfer was sought by SIBA - seeking to benefit from the public trust - PREVIOUSLY and it should be resoundingly quashed again! SHAME on SIBA!!!

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In the early 1990s, the group used its political connections to win both a very favorable lease for about 70 acres of state land on Sand Island for an industrial park, and then to obtain a very unusual grant of administrative control over the subleases to individual businesses. For most of the years since, SIBA has been pushing for the transfer of these public lands to SIBA in fee.

Over the past year, SIBA has been advocating on behalf of a special interest bill at the Honolulu City Council that would reduce real property tax payments by businesses with SIBA subleases, while simultaneously challenging its tax bills in state tax court.

This time around they're at the legislature pushing [SB176](#), which would authorize the Board of Land and Natural Resources to sell parcels of the state-owned land within the Sand Island Industrial Park to lessees. The bill does not provide any public purpose for allowing the sell-off of these publicly-owned industrial lands beyond the general decline in state revenue caused by the current pandemic.

The bill has been scheduled for a public hearing in the senate next Thursday, March 4, before the Senate Ways and Means Committee chaired by Sen. Donovan Del Cruz. The [hearing is scheduled for 1:30 p.m.](#) Due to Covid, the capitol is closed to the public, and all hearings are being conducted by Zoom, and [written testimony, as well as remote testimony](#) via Zoom, are being accepted.

SIBA has tried this gambit several times over the years. Back in 2009, for example, [a similar bill](#) requiring the state to offer the Sand Island parcels to the lessees passed the Senate and one house committee before bogging down in House Finance.

Testimony presented on behalf of then-Attorney General Mark Bennett said the measure would be unconstitutional.

This bill requires the Department of Land and Natural Resources to offer for sale or exchange parcels of Sand Island. Article XI, Section 5 of the Hawaii Constitution states that "The legislative power over the lands owned by or under the control of the State...and its political subdivisions shall be exercised only by general laws...." Given this directive, this bills requirement to sell the parcels at Sand Island would be unconstitutional.

The latest bill appears to also be an unconstitutional special interest bill singling out one organization. I understand why they took this risk. It's just that there's no way SIBA could sell the idea that all public land should be offered for sale to lessees.

DLNR's 2009 testimony said the original lease agreements do not contain any provisions entitling lessees any right to purchase the fee simple interest in the land. Further, the approximately 70 acres of the Sand Island Industrial Park now generate significant revenue that supports DNLR other programs.

"Such sale would not be in the best interest of the beneficiaries of the public land trust, the State, or the Department," then Land Board Chair, Laura Thielen, testified.

The current measure, SB176, originally had a double referral in the Senate to both the Committee on Water and Land, and Ways and Means. However, on February 4, it was re-referred to WAM, cutting the Water and Land committee, which would generally have jurisdiction over bills regarding land issues, out of the process.

SB-176

Submitted on: 2/28/2021 6:24:09 PM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lanny Sinkin	Individual	Oppose	No

Comments:

The Sand Island scam has gone on long enough. The attempt to have public lands given to private interests having no public purpose is unacceptable.

SB-176

Submitted on: 3/1/2021 2:28:09 PM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Cathy Goeggel	Individual	Oppose	No

Comments:

I strongly oppose SB176. This bill was not heard in WTL, its primary subject committee. Its companion bill in the House has not been heard in any of its referral committees. This is a thinly disguised attempt to cheat the Hawaiian people into losing control of more land, which will only increase in value due to its strategic location.

Please do not advance SB176. Mahalo.

SB-176

Submitted on: 3/2/2021 7:44:23 PM

Testimony for WAM on 3/4/2021 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nako'olani Warrington	Individual	Oppose	No

Comments:

'A'ole.