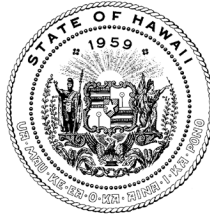


DAVID Y. IGE  
GOVERNOR OF  
HAWAII



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  
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CONSERVATION AND COASTAL LANDS  
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LAND  
STATE PARKS

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Tuesday, April 5, 2022  
2:30 PM**

**State Capitol, Conference Room 308, Via Videoconference**

**In consideration of  
SENATE BILL 3134, SENATE DRAFT 2  
RELATING TO THE PAYMENT OF DEBT SERVICE  
ON THE TURTLE BAY REIMBURSABLE GENERAL OBLIGATION BONDS**

Senate Bill 3134, Senate Draft 2 proposes to streamline the process for the Department of Land and Natural Resources to complete required annual payments of debt service on the reimbursable general obligation bonds for Turtle Bay. **The Department of Land and Natural Resources (Department) strongly supports this Administration measure that enhances government efficiency and frees up resources in the Legacy Land Conservation Program (LLCP) for its core functions.**

Section 173A-13, Hawaii Revised Statutes (HRS), directs the LLCP to complete a public-facing grant application and award process, every year, before the Department can make an annual debt service payment that is required by this statute's parent authority (Act 121, Session Laws of Hawaii 2005) and sibling statutes (Sections 171-171 and 171-172, HRS). The existing process requires significant additional effort by the LLCP and its private and public partners, including multiple steps involving several Department organizational units, five other government entities, and public meetings of the Legacy Land Conservation Commission (for investigating the application).

Senate Bill 3134, Senate Draft 2, if enacted, would provide statutory authority for the Department to simply process the required annual payment administratively from the Land Conservation Fund to the Turtle Bay Conservation Easement Special Fund without intervening steps that provide limited value to the Department's management of State interests at Turtle Bay. Department staff team from the Legacy Land Conservation Program (Land Division) and the Division of Forestry and Wildlife conducts annual compliance monitoring of the conservation easement held by the

Board of Land and Natural Resources over private lands at the resort, and of the lease of public lands that the Board granted to the resort.

Streamlining the debt service payment process as a strictly fiscal transaction would continue to fulfill the purpose of Act 121 "to establish a method to use . . . money from the land conservation fund to reimburse the general fund for debt service . . ." and to meet the requirements of Sections 171-171 and 171-172, HRS, as follows:

The reimbursable general obligation bonds issued to acquire the conservation easement and other real property interests shall be payable . . . from moneys from the land conservation fund.

Section 171-171(c)

[M]oneys from the land conservation fund shall be deposited into the [Turtle Bay conservation easement] special fund.

Section 171-172(b)

Enactment of this bill would relieve numerous entities of these extra work involved in completing the grant application and award process, thus freeing up more time and resources for performing their other important activities and functions.

Thank you for the opportunity to comment on this measure.

**SB-3134-SD-2**

Submitted on: 4/4/2022 9:49:34 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emma Yuen	DLNR	Support	Remotely Via Zoom

Comments:

I am available for questions to DLNR. Please allow me Zoom access.