

Honolulu, Hawaii

FEB 13 2023

RE: S.B. No. 79  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 79 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Repeal the requirement for Board of Land and Natural Resources approval for lease extensions in the Hilo Community Economic District;
- (2) Require the Department of Land and Natural Resources to use the current tax assessed value when offering lease extensions to lessees; and
- (3) Require all applications to the Department of Land and Natural Resources for an extension of fixed rental periods or lease terms to be made within one hundred eighty days and confirm lease extensions.

Your Committee received testimony in support of this measure from McCully Works, Hilo Fish Company, and one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and League of Women Voters of Hawaii.



Your Committee finds that as the majority landowner in East Hawaii, the State has an enormous influence on the vision, economic development, and overall success of the East Hawaii community.

Your Committee further finds that under existing laws, many public land lessees face uncertain futures following the expiration of their leases. Lessees face difficulties in renegotiating leases with the Board of Land and Natural Resources and are further constrained by the lengthy process to achieve approval from the Board to conduct minor maintenance projects or renovations. As a result, the infrastructure and facilities on public lands in East Hawaii have been deteriorating in many locations.

Therefore, this measure repeals the requirement for Board of Land and Natural Resources approval for lease extensions in the Hilo Community Economic District; requires the Department of Land and Natural Resources to use the current tax assessed value when offering lease extensions to lessees; and requires all applications to the Department of Land and Natural Resources for an extension of fixed rental periods or lease terms to be made within one hundred eighty days and confirm lease extensions.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 79, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 79, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.



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

  
LORRAINE R. INOUE, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

Bill / Resolution No.:* <b>SB 79</b>	Committee Referral: <b>WTL, JDC/WAM</b>	Date: <b>02/06/2023</b>
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The Committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312     Pass, with amendments 2311     Hold 2310     Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	✓			
ELEFANTE, Brandon J.C. (VC)		✓		
CHANG, Stanley	✓			
MCKELVEY, Angus L.K.	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>0</b>

Recommendation:  Adopted     Not Adopted

Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes