JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



GOV. MSG. NO. 1392

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

July 3, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 3, 2025, the following bill was signed into law:

H.B. NO. 800, H.D. 1, S.D. 2, C.D. 1 RELATING TO GOVERNMENT. ACT 289

Mahalo,

Juen M.D.

Jósh Green, M.D. Governor, State of Hawai'i

Approved by the Governor

JUL 3 2025 on

HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII

ACT 289 H.B. NO. ⁸⁰⁰ ^{H.D. 1} _{S.D. 2} _{C.D. 1}

A BILL FOR AN ACT

RELATING TO GOVERNMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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PART I

2 SECTION 1. (a) Notwithstanding any other law to the 3 contrary, the fee simple interest in the following parcels of land with the existing improvements thereon (hereinafter "the 4 5 properties") (but not including submerged land, accreted land, 6 or any land makai of the shoreline), shall be conveyed by the 7 department of land and natural resources, department of 8 accounting and general services, Hawaii housing finance and 9 development corporation, or other respective state agency, as 10 grantor, to the city and county of Honolulu as grantee, as is, where is, and subject to any existing recorded ground leases, 11 12 easements, and encumbrances:

| 13 (| 1) TMK | 1-1-5-7-2 | (senior | residence | at | Iwilei); |
|------|--------|-----------|---------|-----------|----|----------|
|------|--------|-----------|---------|-----------|----|----------|

- 14 (2) TMK 1-1-5-7-1 (Liliha civic center);
- 15 (3) TMK 1-1-7-27-1 (Aala park);
- 16 (4) TMK 1-1-5-9-1 (Institute for Human Services);

17 (5) TMK 1-1-5-9-2 (morgue addition);

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1 (6) TMK 1-1-5-9-3 (morgue); and 2 (7)TMK 1-1-5-9-10 (Iwilei fire station). 3 (b) The respective state agency serving as grantor for 4 each parcel in subsection (a) shall prepare, execute, and 5 record, in the land court or bureau of conveyances, as 6 appropriate, a quitclaim deed to convey each parcel with all 7 existing improvements, to the city and county of Honolulu as 8 grantee. As these are conveyances in which the city and county 9 of Honolulu and the State and its agencies are the only parties, 10 the tax imposed by section 247-1, Hawaii Revised Statutes, shall 11 not apply. Effective on the date of transfer pursuant to 12 subsection (d), every reference to the present titleholder or 13 the head of the department or agency in each instrument, if the 14 titleholder is a department or an agency, shall be construed as 15 a reference to the city and county of Honolulu. 16 (c) The city and county of Honolulu shall accept the 17 properties in their existing condition. All claims and 18 liabilities against the respective state agency serving as 19 grantor for each parcel in subsection (a), if any, which the 20 city and county of Honolulu has, may have had, or may have in 21 the future, regarding any injury, loss, cost, damage, or

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| 1 | liability, including reasonable attorneys' fees, concerning the |
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| 2 | physical, environmental, soil, economic, and legal conditions of |
| 3 | the conveyed properties, are released, waived, and extinguished. |
| 4 | (d) Transfer of the parcels shall be effective |
| 5 | December 31, 2025, or upon final approval by the city and county |
| 6 | of Honolulu of the terms of the transfer of the Alii tower |
| 7 | parcel to the department of land and natural resources pursuant |
| 8 | to part II of this Act, whichever occurs later. |
| 9 | PART II |
| 10 | SECTION 2. (a) Notwithstanding any other law to the |
| 11 | contrary, the fee simple interest in the parcel of land |
| 12 | identified as TMK 1-2-1-17-8 (Alii tower) with the existing |
| 13 | improvements thereon (hereinafter "the property") (but not |
| 14 | including submerged land, accreted land, or any land makai of |
| 15 | the shoreline), shall be conveyed by the city and county of |
| 16 | Honolulu as grantor, to the department of land and natural |
| 17 | resources as grantee, as is, where is, and subject to any |
| 18 | existing recorded ground leases, easements, and encumbrances. |
| 19 | (b) The city and county of Honolulu shall prepare, |
| 20 | execute, and record, in the land court or bureau of conveyances, |
| 21 | as appropriate, a quitclaim deed to convey the parcel in |

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1 subsection (a) with all existing improvements, to the department 2 of land and natural resources as grantee, and a lease for the 3 department of the prosecuting attorney of the city and county of 4 Honolulu on terms acceptable to the grantee. As this is a 5 conveyance in which the city and county of Honolulu and the 6 State and its agencies are the only parties, the tax imposed by 7 section 247-1, Hawaii Revised Statutes, shall not apply. 8 Effective on the date of transfer pursuant to subsection (d), 9 every reference to the present titleholder or the head of the 10 department or agency in each instrument, if the titleholder is a 11 department or an agency, shall be construed as a reference to 12 the department of land and natural resources.

The department of land and natural resources shall 13 (C) 14 accept the property in its existing condition. All claims and 15 liabilities against the city and county of Honolulu, if any, 16 which the department of land and natural resources has, may have 17 had, or may have in the future, regarding any injury, loss, 18 cost, damage, or liability, including reasonable attorneys' 19 fees, concerning the physical, environmental, soil, economic, 20 and legal conditions of the conveyed property, are released, 21 waived, and extinguished.

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800 H.B. NO. H.D. 1 S.D.2

1 Transfer of the parcel shall be effective December 31, (d) 2 2025, or upon final approval by the city and county of Honolulu 3 of the terms of the transfer, whichever occurs later. 4 PART III 5 SECTION 3. Section 171-2, Hawaii Revised Statutes, is 6 amended to read as follows: 7 "§171-2 Definition of public lands. "Public lands" means 8 all lands or interest therein in the State classed as government 9 or crown lands previous to August 15, 1895, or acquired or 10 reserved by the government upon or subsequent to that date by 11 purchase, exchange, escheat, or the exercise of the right of 12 eminent domain, or in any other manner; including lands accreted 13 after May 20, 2003, and not otherwise awarded, submerged lands, 14 and lands beneath tidal waters that are suitable for 15 reclamation, together with reclaimed lands that have been given 16 the status of public lands under this chapter, except: 17 (1) Lands designated in section 203 of the Hawaiian Homes 18 Commission Act, 1920, as amended; 19 (2) Lands set aside pursuant to law for the use of the 20 United States; 21 (3) Lands being used for roads and streets;

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| 1 | (4) | Lands to which the United States relinquished the |
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| 2 | | absolute fee and ownership under section 91 of the |
| 3 | | Hawaiian Organic Act before the admission of Hawaii as |
| 4 | | a state of the United States unless subsequently |
| 5 | | placed under the control of the board of land and |
| 6 | | natural resources and given the status of public lands |
| 7 | | in accordance with the state constitution, the |
| 8 | | Hawaiian Homes Commission Act, 1920, as amended, or |
| 9 | | other laws; |
| 10 | (5) | Lands to which the University of Hawaii holds title; |
| 11 | (6) | Non-ceded lands set aside by the governor to the |
| 12 | | Hawaii housing finance and development corporation or |
| 13 | | lands to which the Hawaii housing finance and |
| 14 | | development corporation in its corporate capacity |
| 15 | | holds title; |
| 16 | (7) | Lands to which the Hawaii community development |
| 17 | | authority in its corporate capacity holds title; |
| 18 | (8) | Lands set aside by the governor to the Hawaii public |
| 19 | | housing authority or lands to which the Hawaii public |
| 20 | | housing authority in its corporate capacity holds |
| 21 | | title; |

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| 1 | (9) | Lands to which the department of agriculture holds |
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| 2 | | title by way of foreclosure, voluntary surrender, or |
| 3 | | otherwise, to recover moneys loaned or to recover |
| 4 | | debts otherwise owed the department under chapter 167; |
| 5 | (10) | Lands that are set aside by the governor to the Aloha |
| 6 | | Tower development corporation, lands leased to the |
| 7 | | Aloha Tower development corporation by any department |
| 8 | | or agency of the State, or lands to which the Aloha |
| 9 | | Tower development corporation holds title in its |
| 10 | | corporate capacity; |
| 11 | (11) | Lands that are set aside by the governor to the |
| 12 | | agribusiness development corporation, lands leased to |
| 13 | | the agribusiness development corporation by any |
| 14 | | department or agency of the State, or lands to which |
| 15 | | the agribusiness development corporation in its |
| 16 | | corporate capacity holds title; |
| 17 | (12) | Lands to which the Hawaii technology development |
| 18 | | corporation in its corporate capacity holds title; |
| 19 | (13) | Lands to which the department of education holds |
| 20 | | title; |
| 21 | (14) | Lands to which the stadium authority holds title; |

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| 1 | (15) | Lands to which the school facilities authority holds | |
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| 2 | | title; [and] | |
| 3 | (16) | Lands that are set aside by the governor to the | |
| 4 | | department of transportation, lands leased to the | |
| 5 | | department of transportation by any department or | |
| 6 | | agency of the State, or lands to which the department | |
| 7 | | of transportation holds title; and | |
| 8 | (17) | Lands transferred to the department of land and | |
| 9 | | natural resources pursuant to Act , Session Laws | |
| 10 | | of Hawaii 2025; | |
| 11 | provided | that, except as otherwise limited under federal law and | |
| 12 | except for state land used as an airport as defined in | | |
| 13 | section 262-1, public lands shall include the air rights over | | |
| 14 | any portion of state land upon which a county mass transit | | |
| 15 | project is developed after July 11, 2005; provided further that | | |
| 16 | if the lands pursuant to paragraph (6) are no longer needed for | | |
| 17 | housing finance and development purposes, the lands shall be | | |
| 18 | returned to the agency from which they were obtained; provided | | |
| 19 | further that if the lands pursuant to paragraph (14) are no | | |
| 20 | longer needed for the stadium development district or related | | |

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purposes, the lands shall be returned to the public land trust 1 2 administered by the department." 3 SECTION 4. Real property transferred to the department of land and natural resources under this Act shall not be 4 5 considered part of the public land trust as described in 6 section 171-18, Hawaii Revised Statutes. 7 PART IV SECTION 5. Statutory material to be repealed is bracketed 8 9 and stricken. New statutory material is underscored. SECTION 6. This Act shall take effect on July 1, 2025, or 10 the day after final approval by the city and county of Honolulu 11 12 of the terms of the transfer of the fee simple interest in land pursuant to part II of this Act, whichever occurs later; 13 14 provided that upon the completed transfer of the fee simple interest in land pursuant to part II of this Act, the governor 15 shall notify the legislature and the revisor of statutes that 16 17 the transfer was filed or recorded with the bureau of 18 conveyances; provided further that if the city and county of 19 Honolulu does not finalize approval of the terms of the transfer required under part II of this Act by December 31, 2026, this 20 Act shall be repealed on January 1, 2027, and section 171-2, 21

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- 1 Hawaii Revised Statutes, shall be reenacted in the form in which
- 2 it read on the day before the effective date of this Act.



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APPROVED this 3rd day of July , 2025

h Dree M.D.

GOVÉRNOR OF THE STATE OF HAWAII

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the

House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

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Nadine K. Nakamura Speaker House of Representatives

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Brian L. Takeshita Chief Clerk House of Representatives

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THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

President of the Senate

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Clerk of the Senate