

A Bill for an Act Relating to the Use of the Special Land and Development Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 171-19, Hawaii Revised Statutes, is amended to read:

“Sec. 171-19 Special land and development fund. There is created in the department of land and natural resources a special fund to be designated as the “special land and development fund”. Subject to the provisions contained in the Hawaiian Homes Commission Act of 1920, as amended, and in section 5(f) of the Admission Act of 1959, all proceeds of sale of public lands, including interest on deferred payments, and all rents from leases, licenses, and permits derived from public lands shall be set apart in the fund and shall be used only as authorized by the legislature, except that, without such prior legislative authority, the board of land and natural resources may use the fund for the following purposes:

- (1) To reimburse the general fund of the State for advancements heretofore or hereafter made therefrom, which are required to be reimbursed from the proceeds of sales, leases, licenses, or permits derived from public lands;
- (2) For the incidental maintenance of all lands under the control and management of the board, including the repair of improvements thereon, not to exceed \$100,000 in any fiscal year;
- (3) To repurchase any land, including improvements thereon, in the exercise by the board of any right of repurchase specifically reserved in any patent, deed, lease, or other documents or as provided by law;
- (4) For the payment of all appraisal fees; provided, that all such reimbursable fees collected by the board shall be deposited in the fund;
- (5) For the payment of publication notices as required under this chapter, provided that all or a portion of the expenditures may be charged to the purchaser or lessee of public lands or any interest therein under rules and regulations adopted by the board;
- (6) For the planning and construction of roads and trails along state rights-of-way not to exceed \$5,000 in any fiscal year;
- (7) For the payment to private land developer or developers who have contracted with the board for development of public lands under the provisions of section 171-60.

Notwithstanding the above provisions, but subject to the restrictions contained in section 5(f) of the Admission Act, whenever the board sells

remnants to abutting owners, the proceeds therefrom including interest on deferred payments, shall be deposited into the general fund; provided, that such proceeds shall be set apart to the appropriate fund where mandatory federal requirements affecting federal funds so require.

Notwithstanding the above limitations on use of the proceeds of sale, where the board sells public lands including the buildings thereon once used but no longer necessary for school purposes at the recommendation and request of the board of education, all net proceeds derived from the sales are hereby appropriated to the county wherein the sales occur for the acquisition of land or for the erection of buildings for school purposes to the extent of an approved building plan in the school district wherein the sales occur. In the absence of any school building program in the district or in the event of any surplus remaining after the completion of buildings constructed pursuant to the approved plan then the proceeds or surplus shall be used in other school districts in the county wherein the sales occur.

When use of the fund is authorized by the legislature for the development of public lands for a particular project, to be disposed of by sale, lease, license, or permit, the board may pay from the fund the costs of the development, including the costs of surveys, construction of roads, water lines, and sewer lines and such other improvements as may be necessary for the development of the lands; provided, that the project shall meet with the zoning and subdivision requirements of the appropriate county and city and county government in which the lands are located, except that plans and specifications for recreational projects, including access roads therefor, shall not be required to meet with such approval; and provided further, that no such development of public lands for disposal by sale, lease, license, or permit shall be made unless appropriate roads, water lines, and other improvements are installed which will make the land usable for the purpose for which it is being disposed at the time of disposition.”

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 5, 1976.)

*Edited accordingly.