

EXECUTIVE CHAMBERS

HONOLULU

MAY 28, 1999

ORIGINAL

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 827

Honorable Members
Twentieth Legislature
State of Hawaii

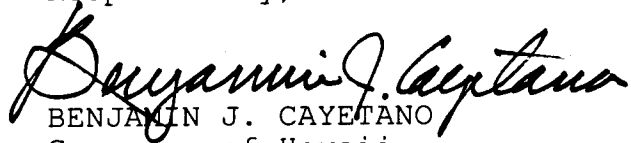
Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, House Bill No. 827, entitled "A Bill for an Act Relating to Public Lands."

The purpose of House Bill No. 827 is to stimulate tourism in Hilo, Hawaii, by authorizing the Department of Land and Natural Resources to issue new, up to fifty-year leases to existing lessees in the Banyan Drive resort area. The bill also provides that if another bidder is interested in the property the successful bidder must pay the existing lessee the replacement value of the improvements.

While I support the intent of the bill and am sympathetic with the concerns of the present lessees, I cannot support a measure that does not uphold equal treatment and good faith competition. This measure attempts to address the concerns of the lessees by treating the lessees differently than all other lessees of state lands, and virtually shutting out competition by requiring a competitor to pay the replacement value of the improvements rather than the residual value.

For the foregoing reasons, I am returning House Bill No. 827 without my approval.

Respectfully,


BENJAMIN J. CAYETANO
Governor of Hawaii

P R O C L A M A T I O N

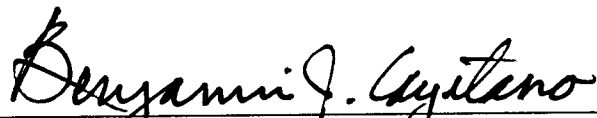
WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of his plan to return with his objections any bill presented to him less than ten days before adjournment sine die or presented to him after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 827, entitled "A Bill for an Act Relating to Public Lands," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, House Bill No. 827 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, BENJAMIN J. CAYETANO, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return House Bill No. 827 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu,
State of Hawaii, this 28th
day of May, 1999.



BENJAMIN J. CAYETANO
Governor of Hawaii