

EXECUTIVE CHAMBERS

HONOLULU

June 24, 2002

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 2002

Honorable Members
Twenty-First 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. 2002, entitled "A Bill for an Act Relating to Public Lands."

House Bill No. 2002 authorizes the Department of Land and Natural Resources to issue new leases to the Kauai Beachfront Hotel, the existing state lessee of resort properties at Wailua, Lihue, Kauai.

This bill raises a serious policy question because it would provide a special benefit to one entity. The State has a general policy stated in section 171-14, Hawaii Revised Statutes, to award leases through public auction, providing a fair opportunity for the public to bid on the lease and for the State to obtain the best revenue it can.


If the Department of Land and Natural Resources decided to award new leases through a public auction instead of issuing new leases to the existing lessee, this bill would not be necessary, because leases can already be canceled and re-auctioned under current statutes. Under section 171-61, Hawaii Revised Statutes, whenever land can be re-leased for a higher or better use or for an existing use to a greater economic benefit

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to the State, the Board of Land and Natural Resources may cancel the lease and re-lease the lands through a public auction. In fact, the Board has already taken action at its meeting held on May 24, 2002, to approve the cancellation and re-auction of the Kauai Beachfront leases.

For the foregoing reasons, I am returning House Bill No. 2002 without my approval.

Respectfully,


BENJAMIN J. CAYETANO
Governor of Hawaii

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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 the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, House Bill No. 2002, 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. 2002 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. 2002 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 24th day
of June, 2002.



BENJAMIN J. CAYETANO
Governor of Hawaii