A BILL FOR AN ACT

RELATING TO HAWAII'S ECONOMY.

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

1	PART I
2	SECTION 1. The legislature finds that small businesses are
3	an essential element in strengthening and diversifying Hawaii's
4	economy and creating jobs for our citizens. More than ninety-
5	five per cent of all Hawaii establishments are small businesses,
6	and they provide jobs for sixty per cent of all Hawaii
7	employees.
8	The legislature further finds that despite their
9	contribution to Hawaii's economy, small businesses are at a
10	disadvantage in terms of land ownership. The commercial and
11	industrial properties that exist within the State's urban
12	districts are primarily owned by a few landowners. These
13	landowners control large tracts of land and retain their
14	ownership by means of leases to small businesses, which in turn
15	supply services and products to the communities within or
16	adjacent to the commercial and industrial properties. Without
17	these neighborhood businesses, consumers would be compelled to

- 1 travel long distances and expend large amounts of time and
- 2 effort to locate these needed services and products.
- 3 In the city and county of Honolulu's "Annual Report on the
- 4 Status of Land Use on Oahu, Fiscal Year 2006" (February 2008),
- 5 growth projections show a decided shift away from the primary
- 6 urban center for industrial jobs. Approximately eighty per cent
- 7 of industrial jobs were located in the primary urban center in
- 8 2000, and by 2030 that projection drops to seventy-one per cent.
- 9 For that same period, industrial jobs in the Ewa region will
- 10 nearly double, from seven to thirteen per cent, and increase by
- 11 nearly fifty per cent, from seven to ten per cent in central
- 12 Oahu.
- The legislature further finds that small businesses are
- 14 often dependent on commercial and industrial leases, which may
- 15 contain provisions that are so onerous as to force these
- 16 businesses to relocate to rural areas and away from the urban
- 17 centers. In practical terms, consumers will find that the auto
- 18 service center in Mapunapuna, or the small retailer in Kakaako,
- 19 is no longer in business near where the consumer lives or works.
- 20 The legislature finds that the proximity of small
- 21 businesses to urban communities serves to stabilize Hawaii's
- 22 economy, especially during the recessionary period that the

- 1 United States has entered. Thus, maintaining close geographic
- 2 ties between small businesses and the communities they serve is
- 3 a public purpose that requires legislative support.
- 4 The purpose of this part is to stabilize Hawaii's economy
- 5 by lessening the onerous provisions of existing commercial and
- 6 industrial leases of certain lands within urban districts by
- 7 correcting inequities in long term commercial and industrial
- 8 ground leases, without substantial reduction in the economic
- 9 benefit to the owners or impact on their ownership of the land,
- 10 without impairing their lease contracts, and without the taking
- 11 of any property rights without due process of law.
- 12 SECTION 2. Chapter 519, Hawaii Revised Statutes, is
- 13 amended by adding a new section to be appropriately designated
- 14 and to read as follows:
- 15 "§519- Leases of commercial and industrial property.
- 16 (a) Notwithstanding any other law to the contrary, any lease of
- 17 commercial or industrial leasehold property shall be subject to
- 18 the following terms and conditions:
- (1) Whenever a lease condition requires that a lessee
- 20 obtain the approval of the lessor for the assignment,
- 21 transfer, or encumbrance of the leasehold property,

1		the approval of the lessor may not be unreasonably
2		withheld;
3	(2)	Whenever a lessee is required by a lease with less
4		than thirty years remaining on its term to make major
5		and substantial improvements to any structures on the
6		leasehold property or to any infrastructure supporting
7		the leasehold property, the requirement to the lessee
8		shall be limited to making reasonable maintenance and
9		repair work to satisfy federal, state, and county
10		laws, ordinances, and code requirements to ensure the
11		public's health, safety, and welfare, and the lessee
12		shall not be required to make substantial new
13		improvements to infrastructure or structures;
14	<u>(3)</u>	Whenever a lease provides for the reversion of any
15		improvements on the leasehold property at the
16		termination of the lease, the improvements shall be
17		returned subject to reasonable wear and tear that may
18		have resulted from the use of the improvements over
19		the full term of the lease;
20	<u>(4)</u>	Whenever a lease provides for periodic step-ups in
21		lease rent over the term of the lease, the increases
22		in lease rent shall be determined, in part, on a

1		determination of the financial feasibility of the rent
2		increase in relation to the current use of the
3		leasehold property; and
4	(5)	Whenever a lease provides for the renegotiation of
5		rent during the term of the lease and the renegotiated
6		rent is based, according to the terms of the lease, on
7		fair and reasonable annual rent, or words of similar
8		import, the rent shall be fair and reasonable to both
9		of the parties to the lease; provided that a rental
10		amount that is fair and reasonable to both parties
11		shall take into account the improvements existing on
12		the renegotiation date.
13	(b)	In the event that a lessor determines to sell the
14	leasehold	interest and all improvements on the leasehold
15	property	to the lessee, the lessor shall be entitled to exclude
16	from state	e income taxes in the year of the sale any gain the
17	lessor re	alizes from the sale.
18	<u>(c)</u>	For purposes of this section, "commercial or
19	industria	l leasehold property" means any ground lease of real
20	property:	
21	(1)	Situated in the State:

1	(2)	Zoned by a county for commercial, industrial, or mixed
2		use;
3	(3)	That is subject to a lease with an initial term of
4		more than twenty-five years and an unexpired term of
5		five years or more; and
6	(4)	All or a portion of which is a parcel of real property
7		of fifty thousand square feet or more that is owned by
8		a lessor.
9	For	the purposes of this section, "lease" means a
10	conveyanc	e leasing privately owned land by a fee simple owner as
11	lessor, o	r by a lessee as sublessor, to any person, for a term
12	exceeding	twenty-five years in consideration of a return of rent
13	or other	recompense."
14	SECT	ION 3. This part shall not affect rights and duties
15	that matu	red, penalties that were incurred, and proceedings that
16	were begu	n, before its effective date.
17		PART II
18	SECT	ION 4. During the 2005 special session, the
19	legislatu	re adopted Act 8, Special Session Laws of Hawaii 2005,
20	which cre	ated the Hawaii 2050 task force to review the Hawaii
21	state pla	n and the State's planning process, and required the
22	office of	the auditor to prepare and submit to the legislature

- 1 the Hawaii 2050 sustainability plan. In enacting Act 8, the
- 2 legislature expressed its belief that government is responsible
- 3 for resolving daily and immediate issues and public needs, while
- 4 providing guidance to assure a sustainable future and positive
- 5 outlook for Hawaii's economy.
- 6 The creation of the Hawaii 2050 sustainability plan comes
- 7 as the State faces a growing number of pressing issues,
- 8 including the steady deterioration of public infrastructure;
- 9 lack of affordable housing; continued reliance on a
- 10 service-based economy; vulnerability of Hawaii in a volatile
- 11 global energy market; possible interruptions in travel and
- 12 critical food supplies; threats to fragile island ecosystems;
- 13 and ever increasing numbers of residents and visitors. These
- 14 economic and quality of life issues all raise questions about
- 15 the long term limits of growth in the State and motivate the
- 16 need to begin planning and action to assure Hawaii's future.
- 17 Addressing and solving issues critical to Hawaii's way of
- 18 life and natural resources requires coordinated community
- 19 efforts to produce comprehensive, long-range planning policies
- 20 and actions. Within that context, the Hawaii 2050
- 21 sustainability task force and plan have revitalized the State's

- 1 long-term planning process to better guide the future
- 2 development of Hawaii.
- 3 There are several existing state agencies and offices, or
- 4 state officer duties and responsibilities, which focus on and
- 5 serve various functions in achieving and maintaining a more
- 6 sustainable future for the State, including the commission on
- 7 water resource management, the duties and responsibilities of
- 8 the energy resources coordinator, the Hawaii community
- 9 development authority, the land use commission, the office of
- 10 environmental quality control, and the office of planning.
- 11 Although these state agencies and officials strive to develop
- 12 and set forth policies relating to various aspects of
- 13 sustainability, they are each placed under different state
- 14 departments for administrative purposes. Combining these state
- 15 agencies and certain duties and responsibilities under a single
- 16 state department will enable these agencies to unify their
- 17 sustainability efforts under a single administrative umbrella.
- 18 Thus, establishing a new department dedicated to planning and
- 19 sustainability creates, clarifies, and concentrates the State's
- 20 long-range planning and sustainability initiatives, policies,
- 21 and efforts by using existing agencies and offices rather than
- 22 creating an additional layer of government.

1	The purpose of parts III through VI is to establish within
2	the executive branch of state government a new department of
3	planning and sustainability to address issues regarding the
4	long-range planning of the State and how it affects Hawaii's
5	economy, to coordinate policies and actions relating to state
6	planning and sustainability, and to provide a comprehensive
7	sustainability agenda for the State.
8	PART III
9	SECTION 5. Chapter 26, Hawaii Revised Statutes, is amended
10	by adding a new section to be appropriately designated and to
11	read as follows:
12	"§26- Department of planning and sustainability. (a)
	"§26- Department of planning and sustainability. (a) There is established the department of planning and
12	
12 13	There is established the department of planning and
12 13 14	There is established the department of planning and sustainability that shall be headed by a single executive to be
12 13 14 15	There is established the department of planning and sustainability that shall be headed by a single executive to be known as the director of planning and sustainability.
12 13 14 15 16	There is established the department of planning and sustainability that shall be headed by a single executive to be known as the director of planning and sustainability. The department shall:
12 13 14 15 16	There is established the department of planning and sustainability that shall be headed by a single executive to be known as the director of planning and sustainability. The department shall: (1) Undertake statewide long-range planning and
12 13 14 15 16 17	There is established the department of planning and sustainability that shall be headed by a single executive to be known as the director of planning and sustainability. The department shall: (1) Undertake statewide long-range planning and sustainability activities;
12 13 14 15 16 17 18	There is established the department of planning and sustainability that shall be headed by a single executive to be known as the director of planning and sustainability. The department shall: (1) Undertake statewide long-range planning and sustainability activities; (2) Undertake energy development and management;

1		development and housing, economy, environment, energy,
2		natural resources, lifestyle, and culture through
3		programs established by law.
4	(b)	The following are placed in the department of planning
5	and susta	inability for administrative purposes as defined by
6	section 2	6-35:
7	(1)	The commission on water resource management;
8	(2)	The duties and responsibilities of the energy
9		resources coordinator;
10	<u>(3)</u>	The Hawaii community development authority;
11	(4)	The land use commission;
12	<u>(5)</u>	The office of environmental quality control;
13	(6)	The office of planning; and
14	<u>(7)</u>	Any other board or commission as shall be provided by
15		law."
16	SECT	TON 6. Section 26-4, Hawaii Revised Statutes, is
17	amended t	o read as follows:
18	"§26	-4 Structure of government. Under the supervision of
19	the gover	nor, all executive and administrative offices,
20	departmen	ts, and instrumentalities of the state government and
21	their res	pective functions, powers, and duties shall be

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allocated among and within the following principal departments
1
    that are hereby established:
2
              Department of human resources development (Section
3
              26-5);
4
              Department of accounting and general services (Section
5
         (2)
6
              26-6);
7
              Department of the attorney general (Section 26-7);
         (3)
8
         (4)
              Department of budget and finance (Section 26-8);
              Department of commerce and consumer affairs (Section
9
         (5)
              26-9);
10
11
         (6)
              Department of taxation (Section 26-10);
              University of Hawaii (Section 26-11);
12
         (7)
              Department of education (Section 26-12);
13
         (8)
              Department of health (Section 26-13);
14
         (9)
15
        (10)
              Department of human services (Section 26-14);
              Department of land and natural resources (Section
16
        (11)
              26-15);
17
              Department of agriculture (Section 26-16);
18
        (12)
19
        (13)
              Department of Hawaiian home lands (Section 26-17);
              Department of business, economic development, and
20
        (14)
              tourism (Section 26-18);
21
              Department of transportation (Section 26-19);
22
        (15)
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1	(16)	Department of labor and industrial relations (Section
2		26-20) <u>;</u>
3	(17)	Department of defense (Section 26-21);
4	(18)	Department of public safety (Section 26-14.6) [-]; and
5	<u>(19)</u>	Department of planning and sustainability (Section
6		<u>26-).</u> "
7	SECT	ION 7. Section 26-52, Hawaii Revised Statutes, is
8	amended t	o read as follows:
9	" \$26	-52 Department heads and executive officers. The
10	salaries	of the following state officers shall be as follows:
11	(1)	The salary of the superintendent of education shall be
12		set by the board of education at a rate no greater than
13		\$150,000 a year;
14	(2)	The salary of the president of the University of Hawaii
15		shall be set by the board of regents;
16	(3)	Effective July 1, 2004, the salaries of all department
17		heads or executive officers of the departments of
18		accounting and general services, agriculture, attorney
19		general, budget and finance, business, economic
20		development, and tourism, commerce and consumer
21		affairs, Hawaiian home lands, health, human resources
22		development, human services, labor and industrial

1		relations, land and natural resources, public safety,
2		planning and sustainability, taxation, and
3		transportation shall be as last recommended by the
4		executive salary commission. Effective July 1, 2007,
5		and every six years thereafter, the salaries shall be
6		as last recommended by the commission on salaries
7		pursuant to section 26-56, unless rejected by the
8		legislature; and
9	(4)	The salary of the adjutant general shall be \$85,302 a
10		year. Effective July 1, 2007, and every six years
11		thereafter, the salary of the adjutant general shall be
12		as last recommended by the commission on salaries
13		pursuant to section 26-56, unless rejected by the
14		legislature, except that if the state salary is in
15		conflict with the pay and allowance fixed by the tables
16		of the regular army or air force of the United States,
17		the latter shall prevail."
18		PART IV
19	SECT	TON 8. The Hawaii Revised Statutes is amended by
20	adding a	new chapter to be appropriately designated and to read
21	as follow	rs:

1	"CHAPTER
2	DEPARTMENT OF PLANNING AND SUSTAINABILITY
3	§ -1 Definitions. The following terms, whenever used in
4	this chapter, shall have the following respective meanings,
5	unless a different meaning clearly appears in the context.
6	"Department" means the department of planning and
7	sustainability.
8	"Director" means the director of planning and
9	sustainability.
10	§ -2 General objectives of the department. (a) It
11	shall be the objective of the department of planning and
12	sustainability to make broad policy determinations with respect
13	to long-range planning and sustainability issues in the State.
14	The department shall endeavor to gain an understanding of those
15	functions and activities of other governmental agencies and of
16	private agencies that relate to the fields of state planning and
17	sustainability. It shall at all times encourage initiative,
18	creative thinking, and community engagement and perspective in
19	harmony with the objectives of the department.
20	(b) The department shall have sole jurisdiction over:
21	(1) The commission on water resource management;

1 (2) The duties and responsibilities of the energy 2 resources coordinator; (3) The Hawaii community development authority; 3 4 The land use commission: (4)5 (5) The office of environmental quality control; 6 (6) The office of planning; and 7 Any other boards and commissions as provided by law. (7)8 -3 Powers and duties of the department. (a) The 9 department of planning and sustainability shall effectively 10 administer programs to address issues regarding the long-range 11 planning of the State, coordinate policies and actions relating 12 to state planning and sustainability, and provide a 13 comprehensive sustainability agenda for the State. 14 To carry out these responsibilities, the department (b) 15 shall: 16 (1) Coordinate and implement long-range state plans and 17 sustainability plans; 18 (2) Conduct research, and collect and analyze data on 19 sustainability indicators; Develop sustainability indicators and benchmarks to 20 (3)

assist in long-range state planning;

ı	(4)	rubitsh and promote annual reports regarding state
2		planning and sustainability initiatives, analyses, and
3		accomplishments;
4	(5)	Direct and coordinate ongoing public awareness and
5		education campaigns relating to sustainability;
6	(6)	Conduct periodic reviews and audits of sustainability
7		activities occurring statewide;
8	(7)	Coordinate functions and activities of other
9		governmental agencies and of private agencies that
10		relate to the fields of state planning and
11		sustainability;
12	(8)	Coordinate statewide policies and actions relating to
13		state planning and sustainability;
14	(9)	Enter into contracts and take all actions deemed
15		necessary and appropriate for the proper and efficient
16		administration of the department; and
17	(10)	Conduct other activities as are consistent with this
18		chapter.
19	S	-4 Jurisdiction. The following are placed in the
20	departmen	t of planning and sustainability for administrative
21	purposes	pursuant to section 26-35:

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1
         (1)
              The commission on water resource management (chapter
 2
              174C);
 3
         (2)
              The duties and responsibilities of the energy
 4
              resources coordinator (chapter 196);
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         (3)
              The Hawaii community development authority (chapter
 6
              206E);
 7
              The land use commission (chapter 205);
         (4)
8
         (5)
              The office of environmental quality control (chapter
9
              341);
              The office of planning (chapter 225M); and
10
         (6)
11
              Any other board or commission as shall be provided by
         (7)
12
              law.
13
             -5 Director of planning and sustainability.
14
    director of planning and sustainability shall be the director of
15
    the office of planning as defined in section 225M-2. The office
    of planning shall be the lead agency for administrative
16
17
    purposes.
18
             -6 Cooperation from other agencies. All state and
19
    county agencies shall cooperate with the department and render
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all assistance requested by the department in carrying out the

purposes of this chapter.

20

1 -7 Rules. The department shall adopt rules pursuant 2 to chapter 91 as necessary to carry out the purposes of this 3 chapter." 4 PART V 5 SECTION 9. Section 174C-6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows: 6 7 There shall be a first deputy to the chairperson of 8 the commission on water resource management [("deputy), to be known as the deputy for water resource management $[\frac{\pi}{2}]_{1}$, who shall 9 be in addition to any other first deputy to the [chairperson as 10 11 the chairperson of the board of land and natural resources.] director of planning and sustainability. The deputy shall have 12 13 experience in the area of water resources and shall be appointed 14 by the [chairperson] director of planning and sustainability 15 with the approval of a majority of the commission." 16 SECTION 10. Section 174C-7, Hawaii Revised Statutes, is 17 amended by amending subsection (b) to read as follows: 18 "(b) Five members shall be appointed by the governor subject to confirmation by the senate, in a manner prescribed in 19 subsection (d). Each member shall have substantial experience 20 in the area of water resource management; provided that at least 21

one member shall have substantial experience or expertise in

- 1 traditional Hawaiian water resource management techniques and in
- 2 traditional Hawaiian riparian usage such as those preserved by
- 3 section 174C-101. The [chairperson of the board of land and
- 4 natural resources] director of planning and sustainability shall
- 5 be the chairperson of the commission. The director of health
- 6 shall serve as an ex officio voting member."
- 7 SECTION 11. Section 196-3, Hawaii Revised Statutes, is
- 8 amended to read as follows:
- 9 "§196-3 Energy resources coordinator. The director of
- 10 [business, economic development, and tourism] planning and
- 11 sustainability shall serve as energy resources coordinator."
- 12 SECTION 12. Section 201-2, Hawaii Revised Statutes, is
- 13 amended to read as follows:
- 14 "§201-2 General objective, functions, and duties of
- 15 department. It shall be the objective of the department of
- 16 business, economic development, and tourism to make broad policy
- 17 determinations with respect to economic development in the State
- 18 and to stimulate through research and demonstration projects
- 19 those industrial and economic development efforts that offer the
- 20 most immediate promise of expanding the economy of the State.
- 21 The department shall endeavor to gain an understanding of those
- 22 functions and activities of other governmental agencies and of

1 private agencies that relate to the field of economic 2 development. It shall, at all times, encourage initiative and 3 creative thinking in harmony with the objectives of the 4 department. 5 [The department of business, economic development, and 6 tourism shall have sole jurisdiction over the land use 7 commission under chapter 205, state planning under chapter 225M, 8 and the Hawaii State Planning Act under chapter 226. Due to the 9 inherently interdependent functions of development, planning, 10 and land use, these functions shall not be transferred by 11 executive order, directive, or memorandum, to any other 12 department, nor shall these functions be subject to review or 13 approval by any other department.] " 14 SECTION 13. Section 225M-2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows: 15 16 "(a) There is established within the department of 17 [business, economic development, and tourism] planning and 18 sustainability an office of planning. The head of the office 19 shall be known as the director of the office of planning, 20 referred to in this chapter as director[-], and who shall also

be the director of planning and sustainability. The director

shall have[+] training in the field of urban or regional

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- 1 planning, public administration, or other related fields;
- 2 experience in programs or services related to governmental
- 3 planning; and experience in a supervisory, consultative, or
- 4 administrative capacity. The director shall be nominated by the
- 5 governor and, by and with the advice and consent of the senate,
- 6 appointed by the governor without regard to chapter 76[and
- 7 shall be compensated at a salary level set by the governor].
- 8 The director shall be included in any benefit program generally
- 9 applicable to the officers and employees of the State. The
- 10 director shall retain such staff as may be necessary for the
- 11 purposes of this chapter, in conformity with chapter 76. [The
- 12 director shall report to the director of business, economic
- 13 development, and tourism and shall not be required to report
- 14 directly to any other principal executive department.] "
- 15 PART VI
- 16 SECTION 14. (a) In order for the new department of
- 17 planning and sustainability to be initially operational by
- 18 July 1, 2010, the governor shall appoint a management team and
- 19 may hire necessary staff, who shall be exempt from chapter 76,
- 20 Hawaii Revised Statutes, to:
- 21 (1) Develop the appropriate transition plans;
- 22 (2) Rework position descriptions;

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- 1 (3) Revise personnel classifications;
- 2 (4) Develop an organizational structure;
- 3 (5) Prepare a proposed budget;
- 4 (6) Draft and submit proposed legislation; and
- 5 (7) Attend to other administrative details.
- 6 (b) The governor shall report to the legislature, no later
- 7 than twenty days before the convening of the regular session of
- 8 2010.
- 9 SECTION 15. (a) The revisor of statutes shall replace, as
- 10 appropriate, any reference to the department or board of land
- 11 and natural resources with the department of planning and
- 12 sustainability, and any reference to the chairperson of the
- 13 board of land and natural resources with the director of
- 14 planning and sustainability in chapter 174C, Hawaii Revised
- 15 Statutes.
- (b) The revisor of statutes shall replace, as appropriate,
- 17 any reference to the department of business, economic
- 18 development, and tourism with the department of planning and
- 19 sustainability, and any reference to the director of business,
- 20 economic development, and tourism with the director of planning
- 21 and sustainability in chapter 196, Hawaii Revised Statutes.

- 1 (c) The revisor of statutes shall replace, as appropriate,
- 2 any reference to the department of business, economic
- 3 development, and tourism with the department of planning and
- 4 sustainability in chapter 205, Hawaii Revised Statutes.
- 5 (d) The revisor of statutes shall replace, as appropriate,
- 6 any reference to the department of business, economic
- 7 development, and tourism with the department of planning and
- 8 sustainability, and any reference to the director of business,
- 9 economic development, and tourism with the director of planning
- 10 and sustainability in chapter 206E, Hawaii Revised Statutes.
- (e) The revisor of statutes shall replace, as appropriate,
- 12 any reference to the department of business, economic
- 13 development, and tourism with the department of planning and
- 14 sustainability in chapter 225M, Hawaii Revised Statutes.
- (f) The revisor of statutes shall replace, as appropriate,
- 16 any reference to the department of health with the department of
- 17 planning and sustainability in chapter 341, Hawaii Revised
- 18 Statutes.
- 19 SECTION 16. The revisor of statutes shall replace as
- 20 appropriate the reference to a department with the department of
- 21 planning and sustainability in all statutes that make reference
- 22 to a department to which the placement of the commission,

- 1 coordinator, authority, and offices listed in section -4,
- 2 Hawaii Revised Statutes, is made for administrative purposes.
- 3 SECTION 17. For the purpose of establishing a salary for
- 4 the initial director of planning and sustainability, the salary
- 5 for the initial director of planning and sustainability shall be
- 6 the same as the chairperson of the board of land and natural
- 7 resources. Thereafter, the director's salary shall be
- 8 determined by the next convened executive salary commission.
- 9 SECTION 18. All rights, powers, functions, and duties of
- 10 the commission on water resource management, the energy
- 11 resources coordinator, the Hawaii community development
- 12 authority, the land use commission, the office of environmental
- 13 quality control, and the office of planning are transferred to
- 14 the department of planning and sustainability.
- 15 All officers and employees whose functions are transferred
- 16 by the establishment of the department of planning and
- 17 sustainability under this Act shall be transferred with their
- 18 functions and shall continue to perform their regular duties
- 19 upon their transfer, subject to the state personnel laws and
- 20 this Act.
- 21 No officer or employee of the State having tenure shall
- 22 suffer any loss of salary, seniority, prior service credit,

- 1 vacation, sick leave, or other employee benefit or privilege as
- 2 a consequence of the establishment of the department of planning
- 3 and sustainability under this Act, and such officer or employee
- 4 may be transferred or appointed to a civil service position
- 5 without the necessity of examination; provided that the officer
- 6 or employee possesses the minimum qualifications for the
- 7 position to which transferred or appointed; and provided that
- 8 subsequent changes in status may be made pursuant to applicable
- 9 civil service and compensation laws.
- 10 An officer or employee of the State who does not have
- 11 tenure and who may be transferred or appointed to a civil
- 12 service position as a consequence of the establishment of the
- 13 department of planning and sustainability under this Act shall
- 14 become a civil service employee without the loss of salary,
- 15 seniority, prior service credit, vacation, sick leave, or other
- 16 employee benefits or privileges and without the necessity of
- 17 examination; provided that such officer or employee possesses
- 18 the minimum qualifications for the position to which transferred
- 19 or appointed.
- 20 If an office or position held by an officer or employee
- 21 having tenure is abolished, the officer or employee shall not
- 22 thereby be separated from public employment, but shall remain in

- 1 the employment of the State with the same pay and classification
- 2 and shall be transferred to some other office or position for
- 3 which the officer or employee is eligible under the personnel
- 4 laws of the State as determined by the head of the department or
- 5 the governor.
- 6 SECTION 19. All appropriations, records, equipment,
- 7 machines, files, supplies, contracts, books, papers, documents,
- 8 maps, and other personal property heretofore made, used,
- 9 acquired, or held by the commission on water resource
- 10 management, the energy resources coordinator, the Hawaii
- 11 community development authority, the land use commission, the
- 12 office of environmental quality control, and the office of
- 13 planning relating to the functions transferred to the department
- 14 of planning and sustainability shall be transferred with the
- 15 functions to which they relate.
- 16 SECTION 20. All deeds, leases, contracts, loans,
- 17 agreements, permits, or other documents executed or entered into
- 18 by or on behalf of the commission on water resource management,
- 19 the energy resources coordinator, the Hawaii community
- 20 development authority, the land use commission, the office of
- 21 environmental quality control, and the office of planning
- 22 pursuant to the provisions of the Hawaii Revised Statutes, which

- 1 are reenacted or made applicable to the department of planning
- 2 and sustainability by this Act, shall remain in full force and
- 3 effect. Effective July 1, 2010, every reference to the former
- 4 department from which the commission on water resource
- 5 management, the energy resources coordinator, the Hawaii
- 6 community development authority, the land use commission, the
- 7 office of environmental quality control, and the office of
- 8 planning were transferred shall be construed as a reference to
- 9 the department of planning and sustainability.
- 10 SECTION 21. All rules, policies, guidelines, and other
- 11 material adopted or developed by the commission on water
- 12 resource management, the energy resources coordinator, the
- 13 Hawaii community development authority, the land use commission,
- 14 the office of environmental quality control, and the office of
- 15 planning to implement provisions of the Hawaii Revised Statutes,
- 16 which are reenacted or made applicable to the department of
- 17 planning and sustainability by this Act, shall remain in full
- 18 force and effect until amended or repealed by the department of
- 19 planning and sustainability pursuant to chapter 91, Hawaii
- 20 Revised Statutes. In the interim, every reference in those
- 21 rules, policies, procedures, guidelines, and other material to
- 22 the former department from which the commission on water

- 1 resource management, the energy resources coordinator, the
- 2 Hawaii community development authority, the land use commission,
- 3 the office of environmental quality control, and the office of
- 4 planning were transferred is amended to refer to the department
- 5 of planning and sustainability.
- 6 SECTION 22. With respect to the portions of this Act
- 7 related to the establishment of department of planning and
- 8 sustainability, it is the intent of this Act not to jeopardize
- 9 the receipt of any federal aid nor to impair the obligation of
- 10 the State or any agency thereof to the holders of any bond
- 11 issued by the State or by any agency, and to the extent, and
- 12 only to the extent, necessary to effectuate this intent, the
- 13 governor may modify the strict provisions of this Act, but shall
- 14 promptly report any modification with reason therefor to the
- 15 legislature at its next session thereafter for review by the
- 16 legislature.
- 17 SECTION 23. All acts passed during this regular session of
- 18 2008, whether enacted before or after the passage of this Act,
- 19 shall be amended to conform to this Act unless these acts
- 20 specifically provide that this Act is being amended.

- 1 SECTION 24. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 25. This Act shall take effect on July 1, 2008.

Report Title:

Hawaii's Economy; Small Business; Commercial Leases; Sustainability

Description:

Mandates certain conditions applicable to certain commercial and industrial leases (Part I). Creates a department of planning and sustainability by combining the office of planning, commission on water resource management, energy resources coordinator responsibilities, land use commission, office of environmental quality control, and Hawaii community development authority (Parts II-VI). (SD1)