

STAND. COM. REP. NO. 1713 -08

Honolulu, Hawaii

Aj 04 , 2008

RE: S.B. No. 3048  
S.D. 1  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Water, Land, Ocean Resources & Hawaiian Affairs, to which was referred S.B. No. 3048, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT,"

begs leave to report as follows:

The purpose of this bill is to increase the loan ceiling for agricultural and ranch operations on Hawaiian Home Lands from \$50,000 to \$200,000.

For purposes of the public hearing, your Committee circulated a proposed H.D. 1 version that deletes the provisions of the bill and inserts new language extending the maximum term of a commercial lease on Hawaiian Home Lands from 65 to 99 years, including the initial term and any extensions.

The Department of Hawaiian Home Lands (DHHL), Sovereign Councils of the Hawaiian Homelands Assembly, Waimanalo Hawaiian Homes Association, Malu'ohai Residents' Association, Building Industry Association of Hawaii, Pacific Resource Partnership, and a concerned individual supported this bill. The Waimea Homesteaders' Association, Inc., Hui Kako'o Aina Ho'opulapula, and several concerned individuals opposed this measure.

Your Committee has amended this bill by adopting the language in the proposed H.D. 1 version of the bill.

SB3048 HD1 HSCR WLH HMS 2008-3621



Your Committee finds that the intent of this extension is to give DHHL the flexibility to grant short term extensions of lease terms to ensure the lease is terminated under desirable conditions. However, an unconditional extension of maximum lease terms to 99 years may be contrary to this intent. Accordingly, your Committee will continue to review this issue, including the possibility of incorporating language similar to that in Chapter 171, Hawaii Revised Statutes, which provides the Board of Land and Natural Resources with the authority to modify generally applicable lease terms, subject to certain requirements.

As affirmed by the record of votes of the members of your Committee on Water, Land, Ocean Resources & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3048, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3048, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Water, Land, Ocean  
Resources & Hawaiian Affairs,



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KEN ITO, Chair



