STAND. COM. REP. NO. 274

Honolulu, Hawaii

FEB 1 4 2007

RE: S.B. No. 1053

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Intergovernmental and Military Affairs, to which was referred S.B. No. 1053 entitled:

"A BILL FOR AN ACT RELATING TO EMINENT DOMAIN,"

begs leave to report as follows:

The purpose of this measure is to limit a governmental entity's authority to exercise its power of eminent domain.

Specifically, this measure prohibits a governmental entity from taking private property and transferring the property to another private entity for development purposes where the receiving private entity had earlier expressed an interest in developing the condemned property.

Testimony in support of this measure was submitted by the Hawaii Association of Realtors and the National Federation of Independent Businesses in Hawaii. Testimony in opposition to this measure was submitted by the City and County of Honolulu, Department of the Corporation Counsel; the City and County of Honolulu, Department of Planning and Permitting; and the County of Hawaii, Office of Corporation Counsel.

Your Committee finds that there has been a growing concern that the need for urban renewal or economic development may be cited as justification for allowing government to condemn private property and transfer the property to the benefit of another private person or entity. Your Committee believes that it is important to limit the power of eminent domain to take private

property and transfer the property to another private entity for development purposes.

Your Committee amended this measure by amending section 2 to include an exception for the condemnation of development tracts so that the City and County of Honolulu, if needed, can use its power of eminent domain to acquire real property along its proposed mass transit route if any of the property is used by entities for non-governmental activities in connection with mass transit. In addition, your Committee has amended this measure by inserting an effective date of July 1, 2050, to ensure ongoing discussion on this issue. Your Committee further amended this measure by making technical amendments by updating chapter references in the Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1053, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1053, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on behalf of the members of the Committee on Intergovernmental and Military Affairs,

January. Januar LORRAINE R. INOPYE, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Intergovernmental and Military Affairs IGM

Bill / Resolution No.:* SB 1053	Committee Referral: I6M, JDL			te: 12 Feb	2007
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)		1			
TSUTSUI, Shan S. (VC)					
HEMMINGS, Fred					
TOTAL					
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

*Only one measure per Record of Votes