MAR 0 4 2010

## SENATE RESOLUTION

REQUESTING A STUDY OF STATE LAND ASSETS AND NATURAL RESOURCES AND A DETERMINATION OF THEIR UTILIZATION AND POTENTIAL FOR REVENUE GENERATION.

WHEREAS, House Concurrent Resolution No. 76, H.D. 1, S.D. 1, 2009, established a Task Force on Reinventing Government (Task Force) to examine the existing operations and organizations of Hawaii's state government and recommend ways to make Hawaii's government more efficient; and

WHEREAS, the Task Force was formed in October 2009 and gathered together a varied group of government leaders, state agency and department heads, community leaders, nonprofit organization leaders, and business executives from around the State; and

WHEREAS, in light of the financial strain that Hawaii faces due to the world economic downturn and resulting decline in tax revenue, the group was tasked with examining opportunities to reevaluate and restructure state government operations and organizations to do more with fewer resources in order to weather current economic crises and prepare for future challenges; and

WHEREAS, at its final meeting on January 4, 2010, the Task Force adopted a number of recommendations, including recommendations to improve government efficiency in relation to land and natural resources; and

WHEREAS, in its report issued January 2010, the Task Force found that Hawaii's "green and blue" infrastructure - our land, water, natural, and cultural resources - provide the backbone of our economic base; for example, ocean recreation and tourism provide an estimated \$1,000,000,000 per year in business and tourism is based in large part on our natural beauty and public lands; and commercial fisheries create over \$300,000,000 per year in business; and

WHEREAS, in addition, our drinking water is completely reliant upon healthy and open watersheds, and many of Hawaii's residents also rely on these resources for sustenance and constitutionally protected cultural practices; and

WHEREAS, the Task Force found that government factors the actual costs of maintaining "hard" infrastructure into operating and capital improvement budgets for highways, harbors, and schools, and developments that impact roads and schools are provided formulas for measuring those impacts and are required to factor the mitigation of those impacts into the cost of development; and

WHEREAS, the real cost of maintaining Hawaii's natural resources, however, is not factored into governmental operating or capital budgets or fully considered when reviewing new development, and as a result, Hawaii, while still beautiful, has undergone a slow, steady, and unrelenting degrading of our green and blue infrastructure; and

WHEREAS, among its recommendations, the Task Force addressed ways to improve management efficiency in maintaining, managing, and sustaining Hawaii's green and blue infrastructure without increasing the burden upon taxpayers; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, that the Department of Land and Natural Resources is requested to study state land assets and natural resources and determine their utilization and potential for revenue generation; and

BE IT FURTHER RESOLVED that the study include, but not be limited to:

(1) An identification and inventory of state land assets and other natural resources;

(2) Projections of the real cost of maintaining these state assets and natural resources;

(3) Recommendations regarding allocations of operating and capital funds to care for these resources to sustain them and our way of life, including:

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- (A) Utilizing government assets to support government 1 2 land and natural resources; and 3
  - Requiring private development or businesses that (B) obtain financial benefit from utilizing public natural or cultural resources to dedicate financial or other support for a portion of the maintenance costs required to sustain those resources; e.g., requiring a portion of revenue from renewable energy leases or sales of water to be dedicated to sustaining the renewable resource through contributing membership of a watershed partnership, in-kind contributions, or dedication of a percentage of revenue; and

(4) Additional information, as appropriate; and

BE IT FURTHER RESOLVED that the Department of Land and Natural Resources is requested to consult with government leaders, state and county agency and department heads, community leaders, nonprofit organization leaders, and business executives, as appropriate; and

BE IT FURTHER RESOLVED that the Department of Land and Natural Resources is requested to report on the study and any recommendations, including recommendations for legislation, no later than twenty days prior to the Regular Session of 2011; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chair of the Board of Land and Natural Resources and the Director of Finance.

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