STAND. COM. REP. NO. 257-10

Honolulu, Hawaii Fe 10, 2010 RE: H.B. No. 2058 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred H.B. No. 2058 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC PROPERTY,"

begs leave to report as follows:

The purpose of this bill is to remove telecommunication operations as a concession on public property and exempt operations involving the sale of communications or telecommunications from the procurement code.

The Natural Energy Laboratory of Hawaii Authority provided testimony in support of this measure. Hawaiian Telcom provided testimony in opposition to this measure.

Your Committee finds that in 2006, the Board of Land and Natural Resources approved an amendment to the master lease for the Natural Energy Laboratory of Hawaii Authority that waived the Board's sublease approval requirement and delegated this sublease authority to the Authority. The Authority has since subleased land to a tenant to operate a cell tower. The cell tower, however, appears to require the Authority to lease concessions -a function that is uncertain under the Authority's current powers.

Accordingly, your Committee has amended this measure by:

(1) Deleting the existing provisions; and



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(2) Inserting a provision to allow the Authority to specifically lease concessions to cell tower operators not only to sanction an on-going practice, but also to allow the Authority to develop several other opportunities with cell tower operators.

Your Committee has also amended the bill by:

- Removing the amendments to the definition of "concession"; and
- (2) Removing the exemption of telecommunication operations from the procurement code.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2058, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2058, H.D. 1, and be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Economic Revitalization, Business, & Military Affairs,

L.K. MCKELVEY, Chair



## State of Hawaii House of Representatives The Twenty-fifth Legislature

HSOR 257-10

## Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: HB 2058	$\begin{array}{c} \text{Committee Referral:} \\ \hline \\ $			
□ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	V			
2. CHOY, Isaac W. (VC)	V			
2 REDC Luio P				
3. BERG, Lyla B.				V
4. EVANS, Cindy	~			
5. MANAHAN, Joey	~			
6. TAKAI, K. Mark	~		The second second second	
7 TOKIOKA James Kunana				
7. TOKIOKA, James Kunane				
8. TSUJI, Clift				
9. WAKAI, Glenn				V
10. WOOLEY, Jessica	~			
11 WARD Care				
11. WARD, Gene				
			-	_
TOTAL (11)	9			2
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				