HOUSE OF REPRESENTATIVES TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

H.B. NO. ⁹²² S.D. 1

A BILL FOR AN ACT

RELATING TO PUBLIC LANDS.

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

PART I

SECTION 1. The legislature finds that the nine hundred ninety-nine year homestead program is becoming increasingly difficult to manage, as conflicts often arise between family members who may have an interest in a nine hundred ninety-nine year lease. Existing leases are unique in that they can only be assigned to members of the lessee's family.

8 The purpose of this part is to expand the potential 9 assignees of a homestead lease to include trustees of land 10 trusts created for the purposes of managing and holding a 11 homestead for the benefit of the lessee and lessee's family 12 members.

13 SECTION 2. Section 171-99, Hawaii Revised Statutes, is 14 amended by amending subsection (e) to read as follows: 15 "(e) Assignment; certificate of occupation or homestead 16 lease. No existing certificate of occupation or existing 17 homestead lease, or fractional interest thereof, shall be 18 transferable or assignable except by conveyance, devise, 2011-1817 HB922 SD1 SMA.doc

bequest, or intestate succession and with the prior approval of 1 2 the board of land and natural resources; provided that transfer 3 or assignment by conveyance, devise, or bequest shall be limited 4 to a member or members of the occupier's or lessee's family [-] 5 or in the case of a homestead lease, to any person or persons 6 designated as a trustee of a land trust. 7 For the purposes of this section [, "family"]: 8 "Family" means the spouse, reciprocal beneficiary, 9 children, parents, siblings, grandparents, grandchildren, 10 nieces, nephews, a parent's siblings, children of a parent's 11 siblings, and grandchildren of a parent's siblings, of the 12 occupier or lessee. "Land trust" means a trust created for the purposes of 13 14 managing and holding the homestead leasehold estate for the 15 benefit of the lessee and lessee's family members. The lessee 16 may be the trustee of the trust. 17 All the successors shall be subject to the performance of the unperformed conditions of the certificate of occupation or 18 19 the homestead lease." 20 PART II 21 SECTION 3. Section 188-36, Hawaii Revised Statutes, is 22 amended to read as follows: 2011-1817 HB922 SD1 SMA.doc

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1 "§188-36 Hawaii marine laboratory refuge. (a) It is 2 unlawful for any person within the Hawaii marine laboratory refuge to take any aquatic life. Nothing in this section shall 3 apply to any officer, faculty member, employee, or student of 4 5 the University of Hawaii or licensee of the board of regents of the University of Hawaii, while employed in catching or taking 6 7 aquatic life for scientific purposes. (b) The Hawaii marine laboratory refuge consists of the 8 9 reefs and bay waters surrounding the island of Moku-o-loe located in Kaneohe Bay, island of Oahu, from the high water mark 10 on the island extending outward to ["] twenty-five feet beyond 11 12 the outer edges of the reefs. [-1]13 All laws enacted for the protection of aquatic life or wildlife shall likewise apply to the Hawaii marine laboratory . 14 15 refuge, except that no person or persons, other than those designated by this section, shall be authorized to catch or take 16 17. aquatic life in the refuge. The Hawaii marine laboratory refuge shall continue 18 (C) only as long as the regents of the University of Hawaii maintain 19 the Hawaii marine laboratory on the island of Moku-o-loe, island 20 21 of Oahu.

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1	(d) Notwithstanding any law to the contrary, the Hawaii
2	marine laboratory refuge shall be exempt from obtaining state
3	and county permits, including all permits required under chapter
4	205A, for repair and maintenance of its facilities located on
5	the island of Moku-o-loe (Coconut island), island of Oahu."
6	PART III
7	SECTION 4. The legislature has been seeking the
8	establishment of a computerized, comprehensive public land trust
9	/inventory for more than a decade. Act 125, Session Laws of
10	Hawaii 2000, required the auditor to initiate and coordinate all
11	efforts to establish a public land trust information system.
12	Unfortunately, for numerous reasons, no such inventory currently
13	exists.
14	Having an accurate inventory of public lands and their
15	disposition is crucial to the successful management of the
16	public land trust described in section 5(f) of the Admission Act
17	and article XII, section 4 of the state constitution. This is
18	critical to fulfilling the State's trust obligation in regards
19	to the land and the office of Hawaiian affairs, as
20	representative of native Hawaiian beneficiaries' right to
21	receive twenty per cent of the income and proceeds from the
22	public land trust.
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1 The current lack of an accurate public land inventory 2 threatens the successful implementation of legislation proposed 3 during the 2011 regular session. For instance, the establishment of a public school lands trust and the exchange of 4 lands held by the department at Sand Island, respectively, will 5 6 be hindered unless there is an accurate inventory of public The department of land and natural resources must 7 lands. 8 complete an inventory of public lands for our State to move 9 forward.

10 The Hawaii supreme court has repeatedly held that the legislature has a constitutional obligation to clarify the 11 amount of revenues derived from the public land trust that 12 should be annually transferred to the office of Hawaiian affairs 13 14 for the benefit of native Hawaiians. Delayed for years, work on a comprehensive and accurate inventory must begin immediately to 15 16 ensure that the State meets its fiduciary responsibilities as the trustee of the public land trust pursuant to section 5(f) of 17 18 the Admission Act.

19 The department of land and natural resources has already 20 collected a substantial amount of information about lands that 21 are in the public land trust. The focus of this measure is the 22 further study or review of the trust status of those lands to



which state agencies hold title and the disposition of those
 lands, to verify the accuracy of or make amendments to their
 trust status as indicated in the department's existing database
 of public land trust lands.

5 The purpose of this part is to facilitate the establishment 6 of a comprehensive information system for inventorying and 7 maintaining information about the lands of the public land trust 8 described in section 5(f) of the Admission Act and article XII, 9 section 4 of the Hawaii State Constitution.

SECTION 5. (a) For purposes of this part:
"Ceded lands" means those lands ceded to the United States
by the Republic of Hawaii under the joint resolution of
annexation approved on July 7, 1898.

14 "Department" means the department of land and natural15 resources unless the context clearly indicates otherwise.

16 "Public land trust" means that public land trust17 established in section 5(f) of the Admission Act.

(b) The department shall initiate and coordinate all
efforts to establish a public land trust information system.
The information system shall consist of a complete and accurate
inventory of all lands in the public land trust to which state

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1 agencies hold title or over which they maintain management 2 control.

3 (c) Beginning July 1, 2011, the department shall identify 4 all of the lands that are to be included in the public land 5 trust inventory. After interviewing representatives of each of the four counties of the city and county of Honolulu, Kauai, 6 7 Maui, and Hawaii, and conducting discussions with the office of Hawaiian affairs, the department of Hawaiian home lands, the 8 9 department of transportation, the attorney general, the director of finance, and other state agencies holding title to public 10 11 land trust lands or to which lands of the public land trust have been set aside, the department shall also determine what other 12 13 information would be useful to include in the inventory. At 14 minimum, the department of land and natural resources shall determine whether the following kinds of information about each 15 parcel of land in the operating inventory would be useful: 16 The parcel's location by metes and bounds, tax map key 17 (1)number, or both; 18 19 (2) The parcel's size rounded to the nearest acre;

20 (3) The date the parcel was acquired;

21 (4) If conveyed out of the public land trust, the date the22 parcel was conveyed;



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1	(5)	Whether the parcel was acquired by the State pursuant
2		to section 5(b) or 5(e) of the Admission Act or Public
3		Law 88-233, or in exchange for a parcel of land
4		acquired by the State pursuant to those laws;
5	(6)	Whether the parcel is a subdivided portion of a larger
6		parcel acquired by the State pursuant to section 5(b)
7		or 5(e) of the Admission Act or Public Law 88-233, or
8		in exchange for a parcel of land acquired by the State
9		pursuant to those laws;
10	(7)	Whether the parcel or any portion of the parcel is
11		ceded land, and the extent to which the parcel
12		consists of ceded land;
13	(8)	The name of the state or county agency holding title
14		to the parcel;
15	(9)	Whether the parcel has been set aside and the name of
16		the state or county agency to which the parcel has
17		been set aside;
18	(10)	The parcel's current state land use, state land
19		classifications pursuant to section 171-10, Hawaii
20	· · · · · ·	Revised Statutes, and county zoning designations;

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1	(11)	A description of all natural resources, including
2		minerals and water, found on or appurtenant to the
3		parcel;
4	(12)	A description of every easement, covenant, regulatory
5		condition, or other benefit or servitude to which the
6		parcel is entitled or subject; and
7	(13)	A description of all leases, uses, or other
8		disposition to which the parcel has been put.
9	(d)	The department shall also conduct an investigation
10	into the r	most appropriate means of establishing and maintaining
11	the public	c land trust information system, including:
12	(1)	The type of hardware and software appropriate for
13		storing and maintaining the information system;
14	(2)	Whether the information system should be established
15		as a geographic information system;
16	(3)	The tasks needing to be performed to complete and
17		establish the information system;
18	(4)	The sequence in which the tasks needing to be
19		performed should be completed;
20	(5)	Whether and to what extent state and county agencies
21		holding title to public land trust lands or to which
22		public land trust lands have been set aside should
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1		continue maintaining separate inventories of the
2		public land trust lands;
3	(6)	Whether a single agency should be responsible for
4		maintaining the public land trust information system;
5	(7)	To which agency the responsibility should be delegated
6		if a single agency concept is chosen; and
7	(8)	The extent to which other agencies should be required
8		to cooperate and assist in that effort.
9	(e)	The department shall identify existing sources of
10	data, inf	ormation, and resources that can be incorporated into
11	or used t	o establish the public land trust inventory and public
12	land trus	t information system, including existing inventories of
13	the ceded	lands and the public land trust lands established or
14	maintaine	d by the federal government, the office of Hawaiian
15	affairs,	the department of Hawaiian home lands, the University
16	of Hawaii	, the department of transportation, the Hawaii housing
17	finance a	nd development corporation, other state agencies, the
18	counties,	or private entities.
19	(f)	The department shall:
20	· · · · (1)	Estimate the total cost of establishing the public
21		land trust information system;



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1	(2) Identify possible sources of funding to defray that
2	cost; and
3	(3) Identify the factors to be considered in prioritizing
4	the expenditures to be made in each fiscal year,
5	if an incremental or phased implementation process is used to
6	complete the system.
7	SECTION 6. All state and county agencies shall assist the
8	department in facilitating the establishment of the public land
9	trust information system and shall comply with any and all
10	requests the department of land and natural resources may make
11	for any information and services pertinent to the completion of
12	the information system.
13	SECTION 7. All state agencies shall report to the
14	department of land and natural resources:
15	(1) By August 1, 2011, each and every parcel of land, or
16	part of a parcel of land, to which the reporting
17	agency holds title or that has been set aside to the
18	reporting agency, regardless of whether the land is
19	within the public land trust, is ceded land, or both;
20	(2) By August 1, 2011, on the disposition or transfer of
21	any parcel of land, or part of a parcel of land, to



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1	•	which the agency holds title, and provide documents
2		pertinent to that disposition or transfer; and
3	(3)	By January 1, 2012, any inaccuracy discovered in the
4		information provided to the department pursuant to
5		paragraph (1) or (2) and include:
6		(A) A description of how the inaccuracy will be
7		corrected; and
8		(B) Copies of all documents related to the correction
9		of those inaccuracies.
10	SECT	ION 8. (a) The department of land and natural
• 11	resources	shall submit a progress report to the legislature no
12	later tha	n twenty days prior to the convening of the regular
13	sessions	of 2012 and 2013. The progress report shall:
14	(1)	Indicate what is necessary to complete the public land
15		trust inventory and the public land trust information
16		system; and
17	(2)	Include any proposed legislation that the department
18		deems necessary to facilitate the expeditious
19		completion and support of the inventory and
20		information system.
21	(b)	The inventory and information system shall be
22	completed	and operational by December 31, 2013, unless the
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department advises the legislature otherwise in a progress report.

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3 SECTION 9. There is appropriated out of the general 4 revenues of the State of Hawaii the sum of \$ or so 5 much thereof as may be necessary for fiscal year 2011-2012 and 6 the same sum or so much thereof as may be necessary for fiscal 7 year 2012-2013 for the establishment and maintenance of a 8 computerized, comprehensive statewide public land trust 9 inventory database and funding for one staff position for a 10 database and application developer; provided that no funds 11 appropriated shall be expended unless matched on a dollar-for-12 dollar basis by the office of Hawaiian affairs and paid to the 13 department.

14 The sums appropriated shall be expended by the department 15 of land and natural resources for the purposes of this part.

17 SECTION 10. Statutory material to be repealed is bracketed 18 and stricken. New statutory material is underscored.

PART IV

19 SECTION 11. This Act shall take effect upon its approval.
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Report Title:

Public Land; 999-Year Homestead Lease; Assignment; Land Trust; Coconut Island; Information System; DLNR; Appropriation

Description:

Part I allows 999-year homestead leases to be assigned to land trusts that are created for managing and holding the homestead leasehold estate for the benefit of the lessee and lessee's family members; part II authorizes exemptions from state and county permits for the Hawaii marine laboratory refuge for repair and maintenance of its facilities on Coconut island; part III requires the department of land and natural resources to initiate and coordinate all efforts to establish a public lands information system; requires all state agencies to report certain information to the department; requires the department to submit a progress report to the legislature; appropriates funds for a comprehensive statewide public land trust inventory database and funding for one staff position for a database and application developer. (SD1)

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