JAN 2 5 2012

A BILL FOR AN ACT

RELATING TO PUBLIC LAND LEASEHOLDERS RIGHTS.

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

- SECTION 1. Section 171-95.3, Hawaii Revised Statutes, is 1 2 amended to read as follows:
- "[+]§171-95.3[+] Renewable energy producers; lease of 3
- public lands without public auction. (a) The board may lease 4
- 5 or renew a lease of public lands to renewable energy producers,
- 6 as defined in section 171-95, without public auction only
- 7 pursuant to a public process that includes public notice under
- section 1-28.5 providing other interested renewable energy 8
- 9 producers opportunity to participate in the process; provided
- **10** that nothing in this section shall be construed to prevent the
- 11 board from conducting direct negotiations; provided further that
- 12 the renewable energy producer shall be required to submit as
- 13 part of the proposal for the board's evaluation, as assisted by
- 14 the department of business, economic development, and tourism,
- the following: 15
- 16 (1) A timeline for completion of the project;
- A description of a financial plan for project 17 (2)
- 18 financing;

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1	(3) A description of the conceptual design of the project;
2	(4) A description of the business concept for the project;
3	and
4	(5) A description of landscape and acreage requirements
5	including public and private lands.
6	(b) As part of the board's evaluation, the terms and
7	conditions of section 171-33 shall apply. If the public land is
8	held by an existing lessee who is currently in compliance with
9	the terms of the lease, the board shall seek input from that
10	lessee regarding the renewable energy producer's proposal. Upor
11	completion of the board's evaluation and determination to award
12	or not award a lease to a renewable energy producer, the board
13	shall prepare a report outlining the reasons for the decision.
14	$[\frac{b}{c}]$ (c) A lease to a renewable energy producer under
15	this section shall not result in the involuntary termination of
16	a lease of public land held by an existing lessee who is
17	currently in compliance with the terms of the lease[-]; provided
18	that the board shall seek input from the existing lessee as part
19	of its evaluation and determination to award or not award a
20	lease to a renewable energy producer.
21	$[\frac{(c)}{(d)}]$ To inform the public prior to the lease of
22	public land or the renewal of a lease of public land for a
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- 1 proposed renewable energy project under this section, the
- 2 department of land and natural resources shall conduct not less
- 3 than two public hearings on the island where the public land to
- 4 be leased for the proposed renewable energy project is located;
- 5 provided that the notice of the hearing shall be published as
- 6 provided in section 1-28.5. The board shall prepare and
- 7 distribute an outline of the proposals for the renewable energy
- 8 project and receive testimony from interested parties and the
- 9 general public at each public hearing.
- 10 $\left[\frac{d}{d}\right]$ (e) Any action taken by the board upon a proposal
- 11 subject to this section shall take place on the island where the
- 12 public land to be leased for the proposed renewable energy
- 13 project is located.
- 14 [(e)] (f) For any lease issued pursuant to this section,
- 15 the renewable energy producer shall have the right of first
- 16 refusal upon renewal of the lease."
- 17 SECTION 2. Statutory material to be repealed is bracketed
- 18 and stricken. New statutory material is underscored.
- 19 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:



S.B. NO. **2670**

Report Title:

Public Lands; Leases; Renewable Energy Producers

Description:

Requires the board of land and natural resources to seek input from existing lessees as part of its evaluation to determine whether to award a lease to a renewable energy producer.

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