SB 755

<u>SB755</u>

Measure Title:RELATING TO LANDS CONTROLLED BY THE STATE.Report Title:Public Land Sale; UHDescription:Repeals exemption for University of Hawaii that allows the UH to sell
non-ceded lands conveyed to UH after December 31, 1989, without
legislative approval.Companion:NonePackage:NoneCurrent Referral:WTL/THA/HRE, WAM

Introducer(s): SOLOMON

Sort by Date		Status Text
1/18/2013	S	Introduced.
1/22/2013	S	Passed First Reading.
1/22/2013	S	Referred to WTL/THA/HRE, WAM.
2/7/2013	S	The committee(s) on WTL/THA/HRE has scheduled a public hearing on 02-12-13 1:16PM in conference room 225

NEIL ABERCROMBIE GOVERNOR OF HAWAII





WILLIAM J. AILA, JR. CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> ESTHER KIA'AINA FIRST DEPUTY

WILLIAM M. TAM DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of WILLIAM J. AILA, JR. Chairperson

Before the Senate Committees on WATER AND LAND and TOURISM AND HAWAIIAN AFFAIRS and HIGHER EDUCATION

Tuesday, February 12, 2013 1:16 PM State Capitol, Conference Room 225

In consideration of SENATE BILL 755 RELATING TO LANDS CONTROLLED BY THE STATE

Senate Bill 755 proposes to repeal the exemption for the University of Hawaii ("University") that allows the University to sell non-ceded lands conveyed to the University after December 31, 1989 without legislative approval. The Department of Land and Natural Resources (Department) supports this measure.

The exemption was a result of Act 56, Session Laws of Hawaii 2010, which amended Section 171-64.7, Hawaii Revised Statutes (HRS). According to Senate Standing Committee Report No. 2975, the purpose of the exemption was to allow the University to sell lands gifted by the Campbell Estate that surround the West Oahu campus. The sale of these lands was to expedite the financing of the West Oahu campus, and that requiring legislative approval would result in a delay in the sale.¹ At the time, construction of the new campus needed to commence by December 31, 2011 or title to the lands would revert back the Campbell Estate.

Considering that the construction deadline was met, and the West Oahu campus is now in operation, the Department believes that the proposed measure is appropriate. Furthermore, the statutory exemption has a broader scope than its original intent, as it appears to apply to any non-ceded lands that the University acquired after December 1, 1989. Legislative oversight of the

¹ To the extent the lands are no longer needed to effectuate the intent of the legislation, i.e., for the construction of the West Oahu campus or for educational purposes, perhaps the legislature should mandate the lands be returned to the public land trust administered by the Department and Board of Land and Natural Resources for the betterment of all in Hawaii.

disposition of state lands in fee simple is consistent with preserving the inventory or corpus of the public land trust, whether ceded or nonceded lands.² Finally, the proposed measure would ensure that Section 171-64.7, HRS, apply impartially across all state agencies.

 $^{^{2}}$ The Department supports the preservation of the corpus of the public land trust over the free alienation and depletion of the trust corpus.



UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the Senate Committee on Water and Land, Senate Committee on Tourism and Hawaiian Affairs, Senate Committee on Higher Education

February 12, 2013 at 1:16 pm By Gene I. Awakuni Chancellor, University of Hawai'i – West O'ahu

SB 755 – RELATING TO LANDS CONTROLLED BY THE STATE

Aloha Chairs Solomon, Galuteria and Taniguchi and members of the committees:

The University of Hawai'i – West O'ahu *strongly opposes* this measure because it seeks to reverse the amendments this body worked so hard to put in place during the 25th state legislative session. In 2010, the Senate committees on Water, Land, Agriculture, and Hawaiian Affairs, Judiciary and Government Operations and Ways and Means fully supported a measure that narrowed the application of the legislative approval process to those transactions involving *ceded* lands. It was under HB 2561 (2010) that these Senate committees reported out that they acknowledged that the Campbell Estate gifted *non-ceded* lands to the University of Hawai'i for the specific purpose of building the West O'ahu campus. They understood that portions of the gifted lands surrounding the campus were to be sold to expedite the financing of construction. The committee report reflected all of this as well as the Senate committee's recognition of the fact that the legislative approval process may cause delays in sales and adversely impact the campus.

HB 2561 was supported by seven (7) different state agencies including: the Office of Hawaiian Affairs, the State Department of Land and Natural Resources, the State Department of Agriculture, and the State Attorney General's office. The Attorney General went on record stating that Act 176, SLH 2009, extended the time required to complete capital improvement projects that require land dedications to satisfy federal funding requirements, or participate in joint ventures with private developers. The joint committees sent HB 2561 to the full senate for third reading and all 25 senators at the time voted in favor of passing this bill, which eventually became Act 56, SLH 2010, to restore the law regarding non-ceded lands back to what it was prior to the passage of Act 176. The intent of Act 176 was to impose legislative oversight on sales and gifts of certain state-owned lands that were crown lands prior to August 15, 1895.

UH West O'ahu strongly opposes SB 755. The flexibility to proceed in a timely and efficient manner to take advantage of market conditions and generate revenues from land sales without the lengthy legislative review and approval process is especially critical for our new and growing campus out in Kapolei. *We respectfully urge you to hold this measure.*

Thank you for this opportunity to testify.

<u>SB755</u>

Submitted on: 2/8/2013

Testimony for WTL/THA/HRE on Feb 12, 2013 13:16PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Pamela Williams	Individual	Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Submitted on: 2/8/2013

Testimony for WTL/THA/HRE on Feb 12, 2013 13:16PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

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