Honolulu, Hawaii

Rebnam 28 , 2014

RE: H.B. No. 1688 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1688, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to, among other things:

- (1) Grant certain lessees of public land the right to extend a lease that is within ten years of its expiration upon a demonstration that financing for capital improvements on the land is dependent upon extension of the lease term, among other factors;
- (2) Establish an appraisal process to assist in the determination of fair market value for rental purposes; and
- (3) Provide for reimbursement to the lessee for the depreciated value of improvements where the lease is not extended.

Hilo Bay Printing Co., Ltd.; HPM Building Supply; Chika Nakano Repair Shop; Citizens for Fair Valuation; Takamine Construction, Inc.; Japanese Chamber of Commerce & Industry of Hawaii; and a few individuals provided testimony in support of this measure. The Department of Land and Natural Resources

provided testimony in opposition to this measure. The Hawaii Farm Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1688, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1688, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-seventh Legislature

HSCR 873-14

Record of Votes of the Committee on Finance

HB 1688, HD1	WAL, FIN	Da	te: 2/21/2014	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	1/			
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.	//		Million Company of the Company of th	
5. HASHEM, Mark J.				
6. ING, Kaniela			168-1115-2288-1111-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand		- 344 55 F 30 F		alla:
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee		AND AN ANALYSIS OF THE STATE OF		1
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 =
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				P./.19
17. WARD, Gene				
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TOTAL (17)	15			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
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