HOUSE OF REPRESENTATIVES THIRTIETH LEGISLATURE, 2019 STATE OF HAWAII H.B. NO. ⁹¹⁷ H.D. 1

A BILL FOR AN ACT

RELATING TO PUBLIC SCHOOL LANDS.

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

1 SECTION 1. The legislature finds that Act 210, Session 2 Laws of Hawaii 2018, was approved by the governor on July 10, 3 2018. The purpose of Act 210 is to transfer the title to lands under existing public educational facilities from the city and 4 5 county of Honolulu to the department of education. Act 210 also 6 allowed the department of education to hold fee title to 7 property on which public educational facilities are located. 8 In Act 210, the legislature found that the split ownership 9 of the underlying fee simple lands under existing public 10 educational facilities creates problems for redevelopment, 11 especially when private investment is involved. To allow the 12 department of education flexibility to redevelop or reposition 13 its assets, the State consolidated ownership of the lands under 14 existing public educational facilities. The legislature further 15 found that from an asset-management standpoint, the department of education also needed the authority and responsibility to own 16 17 the real property on which its facilities are located. Such

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ownership allows the department to maximize the value of its
 real-estate assets as it seeks to redevelop and reposition
 public educational facilities in the future.

SECTION 2. (a) Notwithstanding any other law to the
contrary, the fee simple interest to the parcel of land
identified as TMK 2-4-002-019 (Student Transportation Service
Office - Young Street) with the existing improvements thereon
shall be conveyed by the city and county of Honolulu to the
department of education as grantee, as is.

10 (b) The city and county of Honolulu shall prepare, 11 execute, and record, in the land court or bureau of conveyances, 12 as appropriate, a quitclaim deed to convey the parcel identified in subsection (a) with all existing improvements to the 13 14 department of education, as grantee. As this is a conveyance in 15 which the city and county of Honolulu and the State and its agencies are the only parties, the tax imposed by section 247-1, 16 17 Hawaii Revised Statutes, shall not apply. Effective on the date of transfer pursuant to subsection (d), every reference to the 18 19 present titleholder or the head of the department or agency in 20 each instrument, if the titleholder is a department or an

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agency, shall be construed as a reference to the department of
 education.

3 The department of education shall accept the property (c) in its existing condition. All claims and liabilities against 4 the city and county of Honolulu, if any, which the department of 5 education has, may have had, or may have in the future, 6 7 regarding any injury, loss, cost, damage, or liability, 8 including reasonable attorney's fees, concerning the physical, 9 environmental, soil, economic, and legal conditions of the 10 conveyed property, are released, waived, and extinguished.

11 Work to initiate the transfer of the parcel identified (d) 12 in subsection (a) shall start no later than December 31, 2019. 13 SECTION 3. The land conveyance under this Act shall 14 contain a provision that shall allow the underlying fee simple interest in the property to revert back to the city and county 15 of Honolulu if the land is not used for "public educational 16 17 purposes". For the purpose of this Act, "public educational 18 purposes" shall include any use of the property, including 19 revenue generation, that would benefit the department of 20 education's mission to provide public education to students in 21 Hawaii.

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1 SECTION 4. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$ or so much 3 thereof as may be necessary for fiscal year 2019-2020 as a 4 grant-in-aid to the city and county of Honolulu to prepare, 5 execute, and record the quitclaim deeds required by this Act. 6 The sum appropriated shall be expended by the city and 7 county of Honolulu for the purposes of this Act. SECTION 5. This Act shall take effect on July 1, 2050; 8

provided that section 4 shall take effect on July 1, 2019.

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Report Title: DOE; Property; Title; Transfer; Appropriation

Description:

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Requires the City and County of Honolulu to transfer to the Department of Education fee simple title to the property on which the Department's Student Transportation Service Office -Young Street is located. Appropriates funds. (HB917 HD1)

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