

STAND. COM. REP. NO.

582

Honolulu, Hawaii

FEB 19 , 2021

RE: H.B. No. 467  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 467, 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 redevelop certain areas or regions of public lands by:

- (1) Establishing a framework to identify and redevelop areas of public lands that are classified as commercial, industrial, hotel, apartment, motel, or resort parcels in need of revitalization;
- (2) Creating a nine-member planning committee for each redevelopment district to provide policy direction and prepare a redevelopment plan;
- (3) Establishing a revolving fund for each redevelopment district for deposit of fifty percent of the revenues, income, and receipts from the public lands in the redevelopment district, legislative appropriations, gifts, grants, and other funds;
- (4) Creating the Waiakea Peninsula Redevelopment District on the island of Hawaii, Waiakea Peninsula Redevelopment

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District Planning Committee, and Waiakea Peninsula  
Redevelopment District Revolving Fund;

- (5) Authorize the Board of Land and Natural Resources to approve rental reductions or waivers for leases that require substantial demolition costs or infrastructure improvement costs in order for the lessee to utilize the premises;
- (6) Authorizing a local redevelopment agency to negotiate a development agreement with a developer for commercial, business, hotel, or resort uses on public lands within a redevelopment area;
- (7) Providing that the general excise tax laws do not apply to amounts received from the construction of work or improvements of a redevelopment project; and
- (8) Amending the definition of "use" under use tax laws to exclude the use of material, parts, or tools imported or purchased by a person licensed under general excise tax laws that are used for the construction of work or improvements of a redevelopment project.

Your Committee received testimony in support of this measure from the Kohala Coast Resort Association and Hawaii Association of REALTORS. Your Committee received testimony in opposition to this measure from the Kūpuna for the Mo'opuna and Ka Lāhui Hawai'i Kōmike Kalai'āina. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, and Department of Land and Natural Resources.

Your Committee finds that because of the policies guiding the management of public lands with commercial, industrial, resort, and hotel uses, there has been little incentive for lessees to make major improvements to their infrastructure, resulting in the deterioration of infrastructure and facilities. The lack of improvements in many of these areas has resulted in dilapidation, deterioration, or obsolescence of buildings and structures. Your Committee believes this measure will help rejuvenate public lands over time and warrants further consideration. Your Committee notes that the intent of this measure is for the redevelopment of public lands on Waiakea Peninsula.



As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 467, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary &  
Hawaiian Affairs,



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MARK M. NAKASHIMA, Chair



