DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> ROBERT K. MASUDA FIRST DEPUTY

M. KALEO MANUEL DEPUTY DIRECTOR - WATER

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#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

## Before the House Committee on WATER & LAND

# Tuesday, March 15, 2022 8:30 AM State Capitol, ,Conference Room 430, Via Videoconference

### In consideration of SENATE BILL 3134, SENATE DRAFT 2 RELATING TO THE PAYMENT OF DEBT SERVICE ON THE TURTLE BAY REIMBURSABLE GENERAL OBLIGATION BONDS

Senate Bill 3134, Senate Draft 2 proposes to streamline the process for the Department of Land and Natural Resources to complete required annual payments of debt service on the reimbursable general obligation bonds for Turtle Bay. The Department of Land and Natural Resources (Department) strongly supports this Administration measure that eliminates an unnecessary extra administrative process and frees up resources in the Legacy Land Conservation Program (LLCP) for its core functions.

Section 173A-13, Hawaii Revised Statutes (HRS), directs the LLCP to complete a cumbersome and prolonged annual grant application and award process before the Department can make an annual debt service payment that is required by this statute's parent authority (Act 121, Session Laws of Hawaii 2005) and sibling statutes (Sections 171-171 and 171-172, HRS). The existing process requires extensive and non-essential effort by the LLCP and its private and public partners, including multiple steps involving several Department organizational units, five other government entities, and public meetings of the Legacy Land Conservation Commission (for investigating the application).

Senate Bill 3134, Senate Draft 2, if enacted, would provide statutory authority for the Department to simply process the required annual payment from the Land Conservation Fund to the Turtle Bay Conservation Easement Special Fund without intervening and costly bureaucratic steps that provide no return on investment to the LLCP and to other Department units that have primary management responsibilities for State interests at Turtle Bay.

Streamlining the debt service payment process as a strictly fiscal transaction would continue to fulfill the purpose of Act 121 "to establish a method to use . . . money from the land conservation fund to reimburse the general fund for debt service . . ." and to meet the requirements of Sections 171-171 and 171-172, HRS, as follows:

The reimbursable general obligation bonds issued to acquire the conservation easement and other real property interests shall be payable . . . from moneys from the land conservation fund. Section 171-171(c) [M]oneys from the land conservation fund shall be deposited into the [Turtle Bay conservation easement] special fund. Section 171-172(b)

Enactment of this bill would relieve numerous entities of these extra steps in the grant application and award process, thus freeing up more time and resources for performing their other important activities and functions.

Thank you for the opportunity to comment on this measure.

<u>SB-3134-SD-2</u> Submitted on: 3/13/2022 10:55:59 PM Testimony for WAL on 3/15/2022 8:30:00 AM

Submitted By	Organization	<b>Testifier</b> Position	Testify
David Penn	DLNR	Support	Remotely Via Zoom

Comments:

I am available for questions to DLNR. Please allow me Zoom access.

#### <u>SB-3134-SD-2</u> Submitted on: 3/13/2022 10:52:09 AM Testimony for WAL on 3/15/2022 8:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kaui Lucas	Individual	Support	Written Testimony Only

Comments:

Dear members of the House Committee on Water and Land, Rep. David A. Tarnas, Chair Rep. Patrick Pihana Branco, Vice Chair

Testfying in enthusiastic support as a dedicated conservationist, and Commissioner on the Legacy Land Conservation Commission, I could not express myself more precisely than the following exerpt from the Senate WTL committee report of Feb. 7, 2022:

[The] Legacy Land Conservation Program (LLCP) must complete a cumbersome and prolonged annual grant application and award process before the Department of Land and Natural Resources can make an annual debt service payment of \$1,500,000 on the Turtle Bay reimbursable general obligation bonds as required by Act 121, Session Laws of Hawaii 2005. The LLCP process includes multiple steps and parties, including the Department of Land and Natural Resources, Department of Agriculture, Agribusiness Development Corporation, Legacy Land Conservation Commission, the nonprofit land conservation organization that fulfills statutory requirements, and the general public. To allow the Department of Land and Natural Resources to dedicate more time and resources to perform other essential responsibilities, this measure will streamline the process for completing the Department of Land and Natural Resources' required annual payment of debt service on the reimbursable general obligation bonds for Turtle Bay.

Please pass SB3134.

me ka pono,

Kaui Lucas