STAND. COM. REP. NO.

Honolulu, Hawaii

APR 0 5 2023

RE: H.B. No. 1385 H.D. 2 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1385, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to improve transparency with respect to extensions of leases of public lands.

More specifically, the measure provides that:

- (1) The Board of Land and Natural Resources shall not unilaterally amend the terms and conditions of any lease of public lands being extended pursuant to Act 149, Session Laws of Hawaii 2018 (Act 149), codified at Part X of Chapter 171, Hawaii Revised Statutes (HRS), except as otherwise provided therein; and
- (2) If the Board wishes to amend the terms and conditions of any lease of public lands being extended pursuant to Act 149 to reflect the Board's most current lease form and leasing practices and policies, the lease form and leasing practices and policies must be included in the rules of the Board governing the extension of leases pursuant to Act 149 or Chapter 171, HRS, adopted by the Board in accordance with Chapter 91, HRS.



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Your Committee received written comments in support of this measure from the Department of Research and Development of the County of Hawaii, Hilo Fish Co, and one individual.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources, Kupuna for the Mo`opuna, Hawaii Alliance for Progressive Action, Sierra Club of Hawaii, and numerous individuals.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Board of Land and Natural Resources has been unilaterally approving extensions of leases pursuant to Act 149 by amending the lease terms and conditions to conform to the Board's most current lease form and leasing practices and policies, despite the lack of any provision in Act 149 expressly allowing the Board to do so. Your Committee further finds that requiring that any amendments to the terms and conditions of lease extensions comply with Part X of Chapter 171, HRS, or be included in the Board's administrative rules adopted in accordance with Chapter 91, HRS, will provide for more consistency and transparency in these processes.

Your Committee has amended this measure by:

- Specifying that nothing in section 171-192, HRS, with respect to lease restrictions as amended by section 2 of the measure, shall diminish, alter, or amend any existing rights, privileges, or practices of the Native Hawaiian people;
- (2) Inserting the contents of Senate Bill No. 1235, S.D. 2, as Parts II through V of the measure to provide as follows:
 - (A) Establishing a temporary public land trust working group within the Office of the Governor to compile a definitive inventory of public land trust lands;



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- (B) Appropriating funds to the Office of Hawaiian Affairs for repairs to bulkheads and revetments located in certain parcels conveyed to the Office;
- (C) Requiring and appropriating funds for the Office of Hawaiian Affairs to conduct a programmatic environmental impact statement for any development projects within the Kakaako Makai area of the public land trust; and
- (D) Appropriating funds to the Office of Hawaiian Affairs for certain construction costs for the development of Kukaniloko; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1385, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1385, H.D. 2, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DONOVAN M. DELA CRUZ, C



The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* Committee		Referral:	Dat	e:	
HB 1385 HD2 SD1	WTZ, WAM			3/31/23	
110.003				-1-1	~ /
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Ауе	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		Х			
KEITH-AGARAN, Gilbert S.C. (VC)		X			
AQUINO, Henry J.C.		$\boldsymbol{\mathcal{X}}$			
DECOITE, Lynn		X			
INOUYE, Lorraine R.		X			
KANUHA, Dru Mamo		X			
KIDANI, Michelle N.		X			
KIM, Donna Mercado		X			
LEE, Chris		X			
MORIWAKI, Sharon Y.		X			
SHIMABUKURO, Maile S.L.		X			
WAKAI, Glenn		Х			
FEVELLA, Kurt				X	
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TOTAL		12		1	
Recommendation:					
X Adopted Not Adopted					
Chair's or Designee's Signature:					
Stander. Eith Gon					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
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*Only <u>one</u> measure per Record of Votes