STAND. COM. REP. NO. **3327**

Honolulu, Hawaii

MAR 2 2 2024

H.B. No. 2467 RE:

> H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred H.B. No. 2467, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENT CREDITS FOR DEMOLITION AND INFRASTRUCTURE COSTS ON PUBLIC LAND LEASES, "

begs leave to report as follows:

The purpose and intent of this measure is to repeal the sunset provision of Act 222, Session Laws of Hawaii 2021, to permanently allow the Board of Land and Natural Resources to approve rent credits for demolition and infrastructure costs for public land leases.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that Act 222, Session Laws of Hawaii 2021 (Act 222), authorizes the Board of Land and Natural Resources to approve rent credits to encourage lessees on public lands to conduct demolition work or improve infrastructure. Act 222 provides the Board of Land and Natural Resources with flexibility in its negotiations with lessees and incentivizes the development of public lands while shifting the financial burden to lessees who benefit most directly from the development of the land. Committee further finds that Act 222 is scheduled to sunset on

June 30, 2026. This measure repeals the sunset provision of Act 222, securing the Board of Land and Natural Resources' authority to negotiate long-term leases and provide rent credit incentives for these kinds of investments.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2467, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2467, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Water and Land,

LORRAINE R. INOUY, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral:			Date:	
HB 2467 HD1	WTL, WAM			3/20/24	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
INOUYE, Lorraine R. (C)		V			
ELEFANTE, Brandon J.C. (VC)		V			
CHANG, Stanley					
MCKELVEY, Angus L.K.					V/
FEVELLA, Kurt		·			V
					ļ
	<u></u>				
					
	<u></u>				
					<u> </u>
TOTAL	,	3	ϕ	ϕ	12
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original by File with Committee Re	ution: Original ⁽ Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Cop				

*Only one measure per Record of Votes