

STAND. COM. REP. NO.

761

Honolulu, Hawaii

FEB 27 2025

RE: S.B. No. 739
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 739, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LAND EXCHANGE,"

begs leave to report as follows:

The purpose and intent of this measure is to allow the Governor to negotiate land exchanges to acquire private lands that are suitable for long-term diversified agriculture production in exchange for urbanized state lands suitable for development by private parties for affordable, workforce, and other housing for Hawaii residents.

Specifically, this measure:

- (1) Authorizes the Governor to negotiate these land exchanges under Chapter 171, Hawaii Revised Statutes, and coordinate with the Agribusiness Development Corporation, Department of Land and Natural Resources, and other departments that hold title to State lands appropriate for the exchanges;
- (2) Facilitates the land exchanges by allowing certain rezoning and reclassification of lands identified for exchange, and acceleration of decision-making for county rezoning and reclassification; and



- (3) Requires a report to the Legislature, prior to the Regular Session of 2026, on the feasibility of land exchanges under this measure, including a list of lands suitable for exchange and any appropriation, proposed legislation, or administrative action necessary to effect the exchanges.

Your Committee received written comments in support of this measure from the Agribusiness Development Corporation, the Hawaii Farm Bureau, and Malama Kauai.

Your Committee received written comments on this measure from the Department of Land and Natural Resources and the Office of Hawaiian Affairs.

Your Committee finds that over time, the State has prioritized a shift toward sustainability and decreasing reliance on imported food. Your Committee further finds that lack of suitable lands for development of housing contributes to the housing crisis in the State. Allowing exchanges of state lands suitable for housing development for private lands suitable for diversified agriculture offers a novel means of addressing two pressing issues facing the State.

Your Committee has amended this measure by:

- (1) Requiring the Governor to consult with the Board of Land and Natural Resources when negotiating land exchanges authorized under this measure; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity.

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 S.B. No. 739, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 739, S.D. 2.



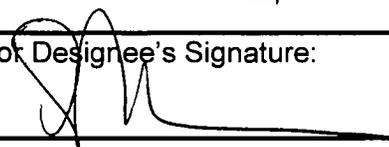
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

| | | | | |
|--|--|---------------------------|----------|----------|
| Bill / Resolution No.:* SB 739 SD1 | Committee Referral: WTL/AEN, WAM | Date: 2-19-2025 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| DELA CRUZ, Donovan M. (C) | X | | | |
| MORIWAKI, Sharon Y. (VC) | X | | | |
| AQUINO, Henry J.C. | X | | | |
| DECOITE, Lynn | X | | | |
| ELEFANTE, Brandon J.C. | X | | | |
| HASHIMOTO, Troy N. | X | | | |
| INOUYE, Lorraine R. | X | | | |
| KANUHA, Dru Mamo | X | | | |
| KIDANI, Michelle N. | X | | | |
| KIM, Donna Mercado | X | | | |
| LEE, Chris | X | | | |
| WAKAI, Glenn | X | | | |
| FEVELLA, Kurt | | X | | |
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| TOTAL | 12 | 1 | 0 | 0 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature:  | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

***Only one measure per Record of Votes**