

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 2596  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Water & Land, to which was referred S.B. No. 2596, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT LEASES,"

begs leave to report as follows:

The purpose of this measure is to require that real property leases between state government entities cost no more than \$1 per year, except if the real property subject to the lease is being used by a principal state department to meet a core responsibility of that department.

Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from the Department of Land and Natural Resources and University of Hawai'i System.

Your Committee finds that state agencies should collaborate for the public good and that real property leases between state agencies should not be undertaken for profit. Your Committee further finds that capping the cost of certain intergovernmental leases would help to improve the use and productivity of state-owned property.

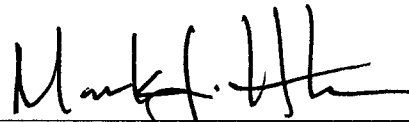
Your Committee has amended this measure by:



- (1) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2596, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2596, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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



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MARK J. HASHEM, Chair



