

STAND. COM. REP. NO.

1225

Honolulu, Hawaii

March 27, 2015

RE: S.B. No. 284
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred S.B.
No. 284, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS
TAX,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allocate transient accommodations tax revenues of \$3,000,000 annually to the special land and development fund, to be expended pursuant to title 12, Hawaii Revised Statutes, in accordance with the long-range strategic plan for tourism developed by the Hawaii Tourism Authority;
- (2) Authorize the Department of Budget and Finance to issue \$40,000,000 in revenue bonds and to use the proceeds to acquire a conservation easement in Turtle Bay, Oahu;
- (3) Require the Department of Budget and Finance to transfer the conservation easement to the Department of Land and Natural Resources; and
- (4) Allocate transient accommodations tax revenues of \$3,000,000 annually to the Department of Budget and



Finance to pay the debt service on the revenue bonds and ongoing expenses related to the bonds.

The Trust for Public Land, North Shore Community Land Trust, Pacific Resource Partnership, CountryTalkStory.com, Conservation Council for Hawaii, Free Access Coalition, The Nature Conservancy, Hawaii Construction Alliance, Hawaiian Islands Land Trust, Defend Oahu Coalition, Farm Lovers Farmers Markets, Hawaii Advocates For Consumer Rights, UNITE HERE Local 5, Hawaii's Thousand Friends, Surfrider Foundation Oahu Chapter, keepthenorthshorecountry.org, Windward Ahupuaa Alliance, and many individuals provided testimony in support of the measure. The Department of Budget and Finance, Department of Land and Natural Resources, Hawaii Tourism Authority, State-County Functions Working Group, Tax Foundation of Hawaii, League of Women Voters of Hawaii, and an individual provided comments.

Your Committee has amended this measure by:

- (1) Removing the language creating and allocating money to the special land and development fund;
- (2) Changing the method of financing the Turtle Bay conservation easement from revenue bonds to reimbursable general obligation bonds;
- (3) Emphasizing that the public shall have perpetual access to the Turtle Bay conservation easement;
- (4) Making the Department of Land and Natural Resources responsible for the appraisal and due diligence on the easement and appropriating funds to do so;
- (5) Adding a repeal and reenactment provision conditional on a contract for the easement being entered into by December 31, 2015;
- (6) Adding new language that appropriates to the State's Office of Planning moneys to appraise the Dole lands and study the feasibility of a land exchange between the State and Dole for the preservation of the North Shore agricultural lands;
- (7) Blanking out all appropriation amounts; and
- (8) Making technical, nonsubstantive amendments for consistency, clarity, and style.

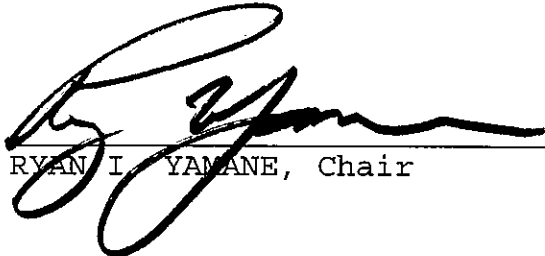


Should the Committee on Finance deliberate this measure further, your Committee respectfully requests that it consider:

- (1) Authorizing the Department of Budget and Finance to issue \$40,000,000 in reimbursable general obligation bonds;
- (2) Allocating \$3,000,000 annually from the excess transient accommodations tax to the Turtle Bay conservation easement fund; and
- (3) Appropriating:
 - (A) \$500,000 to the Department of Land and Natural Resources for the purpose of obtaining an appraisal and performance of due diligence on the Turtle Bay conservation easement;
 - (B) \$40,000,000 out of the Turtle Bay conservation easement special fund to carry out the purpose of acquiring the conversation easement in Turtle Bay, Oahu; and
 - (C) \$400,000 to the Office of Planning to investigate the possibility of acquiring lands owned by Dole Food Company, Inc.

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. 284, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 284, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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



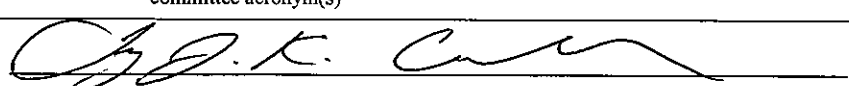
RYAN I. YAMANE, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 1225

Record of Votes of the Committee on Water & Land

Bill/Resolution No.: SD284, SD2	Committee Referral: WAL, FIN	Date: 3-25-2015		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. CULLEN, Ty J.K. (VC)	✓			
3. EVANS, Cindy	✓			
4. ING, Kaniela				✓
5. LEE, Chris	✓			
6. LOWEN, Nicole E.	✓			
7. NISHIMOTO, Scott Y.	✓			
8. SAY, Calvin K.Y.	✓			
9. POUHA, Feki	✓			
10. THIELEN, Cynthia	✓			
TOTAL (10)	9	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				