STAND. COM. REP. NO. <u>2350</u> Honolulu, Hawaii

RE: S.B. No. 2036 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii Sir:

Your Committee on Housing, to which was referred S.B. No. 2036 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 clarify that lands set aside to the Hawaii Housing Finance and Development Corporation by the Governor or leased to the Corporation by any state department and agency are exempt from the definition of "public lands".

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and Building Industry Association of Hawaii. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources, the Office of Hawaiian Affairs, and one individual.

Your Committee finds that currently, only the lands now held in title by the Hawaii Housing Finance and Development Corporation are exempt from the definition of "public lands". This means that the Hawaii Housing Finance and Development Corporation must obtain approval from the Board of Land and Natural Resources before it can develop affordable housing on public lands that it does not own. This measure would obviate the need for the Hawaii Housing Finance and Development Corporation to secure approval from Board of Land and Natural Resources before developing affordable housing on lands set aside or leased to it, thereby creating more opportunities for the Hawaii Housing Finance and Development Corporation to develop affordable housing on state-owned lands.

Your Committee further finds that the Hawaii Housing Finance and Development Corporation, pursuant to section 201H-9(c), Hawaii Revised Statutes, has the authority to sell or otherwise dispose of property to any person or government. Your Committee notes that some of the Hawaii Housing Finance and Development Corporation's lands are public trust lands that it manages under executive orders recommended by the Board of Land and Natural Resources and approved by the Governor. Accordingly, your Committee has amended this measure by:

- (1) Amending section 171-64.7(a)(4), Hawaii Revised Statutes, to require legislative approval for the sale or gift of public lands; and
- (2) Adding a provision requiring the Hawaii Housing Finance and Development Corporation to return any lands no longer needed for housing, finance, and development purposes to the agency from whom it came.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2036, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2036, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committee on

Housing,

STANLEY CHANG, Chair