



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
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by
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SB 962 SD1 – RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee:

Thank you for the opportunity to submit testimony on SB 962 SD1. The University of Hawai'i (UH) supports this measure which transfers to the Natural Energy Laboratory of Hawai'i Authority (NELHA) operational authority over the makai research pier located at the southeast corner of O'ahu. This bill also authorizes the Director of Budget and Finance to issue general obligation bonds for the NELHA to repair and upgrade the makai research pier.

The UH currently has a lease from the Board of Land and Natural Resources (BLNR) for use of the makai research pier. In the past, the UH has conducted research activity at the pier and has also sub-leased facilities at the pier to private research partners. For several years now, the level of research utilizing the makai research pier by the UH has waned. The pier facility is currently used mostly by a sub-lease tenant.

The UH understands that NELHA is desirous of overseeing the makai research pier as an asset. The UH also believes that any of its future research activity that could entail using the makai research pier could be accommodated under the auspices of NELHA. The UH and NELHA have partnered on other research and projects. If NELHA is amenable to operating the makai research pier, the UH is supportive and would collaborate to effectuate transfer of the BLNR lease.

The UH supports the SB 962 SD1 appropriation of \$5,000,000 in capital funding to NELHA for repairs and upgrades to the makai research pier. The bill also includes language in Section 3 providing that existing leases of tenants would be preserved with the transition of pier to NELHA. The UH does not object to this provision, but would note that lessees are currently utilizing the pier as holdover month-to-month tenants and would defer to NELHA whether they would agree that the terms and conditions of a UH lease would meet suitability of their agency.

Thank you for the opportunity to testify in support of SB 962 SD1.