SCR 147



EXECUTIVE CHAMBERS HONOLULU

NEIL ABERCROMBIE GOVERNOR

> Wednesday, March 30, 2011, 2:45 PM State Capitol Room 224

> > Testimony of Honorable Neil Abercrombie Governor, State of Hawaii

To the Hawaiian Affairs Committee Senator Brickwood Galuteria, Chair Senator Pohai Ryan, Vice Chair

SCR 147

Chair Galuteria, Vice Chair Ryan, and members of the Committee:

SCR 147 would encourage the Office of Hawaiian Affairs and the Executive Branch to engage in discussions to propose recommendations to the State Legislature to resolve outstanding differences regarding claims to income and proceeds from the public land trust between November 7, 1978 and July 1, 2008.

I support this resolution with three modifications to the language:

- (1) page three, line 21, after "Affairs," add "and the Governor"
- (2) page thee, line 32, after "land" add "totaling \$200,000,000"
- (3) page three, line 44, after "act" delete the period and add a comma before the closing quotation mark, and add "between November 7, 1978 and July 1, 2008" after the closing quotation mark and the semi-colon.

These three changes would clarify the terms of the settlement agreement by identifying the Governor as the other party to the agreement, specifying the agreement amount and inserting the relevant dates.

Thank you for the opportunity to testify.



SCR147

ENCOURAGING DISCUSSSIONS TO PROPOSE RECOMMENDATIONS TO THE LEGISLATURE TO RESOLVE OUTSTANDING DIFFERENCES REGARDING CLAIMS OF THE OFFICE OF HAWAIIAN AFFAIRS TO INCOME AND PROCEEDS FROM THE PUBLIC LAND TRUST BETWEEN NOVEMBER 7, 1978, AND JULY 1, 2008

Senate Committee on Hawaiian Affairs

March 30, 2011 2:45 p.m. Room 224

The Office of Hawaiian Affairs strongly <u>SUPPORTS</u> SCR147. This concurrent resolution would help move the State forward to do what is right and long overdue and resolve its debt to OHA resulting from public land trust revenues unpaid from 1978 to 2008.

This issue has remained unresolved for more than three decades and the Hawai'i Supreme Court has ruled that the issue is primarily the responsibility of the Legislature. If adopted, this concurrent resolution would encourage OHA and the Executive Branch to formulate and submit a recommendation to the Legislature for resolving the past-due issue.

The following information may be useful as background information during your committee's consideration:

- Following many years of relatively small transfers to OHA, Act 304, Session Laws of Hawaii 1990, sought to establish how the State would carry out its state constitutional and statutory mandate to dedicate 20 percent of public land trust revenues to OHA's activities.
- Act 35, Session Laws of Hawaii 1993, appropriated \$136.5 million in general obligation bond funds to OHA as a settlement of undisputed claims to that point in time.
- Act 329, Session Laws of Hawaii 1997, established OHA's pro rata share to be \$15.1 million for each of the fiscal years 1997-1998 and 1998-1999.
- In 2001, the Hawai'i Supreme Court ruled that Act 304 was invalid due to a conflict between one of its technical provisions and federal law.

- Act 34, Session Laws of Hawaii 2003, required the transfer of several million dollars to OHA to help continue the revenue stream following the court ruling against Act 304.
- Executive Order No. 03-03 set forth Governor Lingle's procedure for continuing the revenue stream.
- Act 178, Session Laws of Hawaii 2006, included an interim provision setting OHA's annual amount of land trust revenues at \$15.1 million and providing a lump sum payment of \$17.5 million for certain amounts that the Legislature determined were underpaid between July 1, 2001 through June 30, 2005.

Since 2006, OHA has vigorously pursued several legislative bills, each designed to resolve the past-due revenues issue. None have passed, including a bill that would have finalized a 2008 settlement agreement signed by OHA and the Executive Branch after several years of intensive negotiations.

We thank you for considering this concurrent resolution. The issue is complex, but when 30 years of struggle to address this issue are examined, one key truth remains: it is ultimately the Legislature's task to resolve the issue. We look forward to working tirelessly with the Legislature and the Executive Branch, as we have done over the years, to find a fair and just solution.

We urge your committee to PASS SCR 147.

Mahalo for the opportunity to testify on this important measure.

galuteria1 - Ikaika

From:

Hardy Spoehr [HSpoehr@papaolalokahi.org]

Sent:

Friday, March 25, 2011 9:01 AM

To: Subject: HWN Testimony
Testimony: SCR 174

Follow Up Flag:

Follow up

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Testimony: SCR 147, encouraging discussions to propose recommendations to the legislature to resolve outstanding differences regarding claims of the Office of Hawaiian Affairs to income and proceeds from the public land trust between November 7, 1978, and July 1, 2008.

Senate Committee on Hawaiian Affairs

Wednesday, March 30, 2011 2:45 pm Conference Room 224 State Capitol

Aloha. Papa Ola Lokahi, the Native Hawaiian Health Board, strongly supports this measure. The outstanding dollars owed the Office of Hawaiian Affairs remains a long-standing issue. It is time to resolve this and to move on. OHA deserves the support of all of us who call Hawai'i home. Thank you for the opportunity to provide supportive testimony.

Hardy Spoehr, Executive Director Papa Ola Lokahi 894 Queen Street Honolulu, Hawai'i 96813 808-597-6550



Aha Kiole Advisory Committee

Testimony In Support

Of SCR 147 Relating to OHA

Submitted to: Committee on Hawaiian Affairs

March 30, 2011

2:45 p.m.

Room: 224

Submitted by: The Aha Kiole Advisory Committee: Vanda Hanakahi, Moloka'i (Chair), Leslie Kuloloio, Kahoolawe, (Vice-Chair); Timmy Bailey, Maui; Winifred Basques, Lana'i; Pi'ilani Ka'awaloa, (Po'o) Hawai'i; Charles Kapua, O'ahu; Sharon Pomroy, Kaua'i; Keith Robinson, (Konohiki) Ni'ihau.

Aloha Chair Galuteria, Vice-Chair Ryan and Members of the Committee;

Thank you for the opportunity to testify in support of SCR 147 which encourages discussions on resolving the outstanding differences on OHA's claims to income between 1978 and 2008.

As beneficiaries of the Office of Hawaiian Affairs, the Native Hawaiian resource practitioners would like to see this issue resolved. We support and encourage discussion between OHA and the executive branch to formulate and submit a recommendation to the Legislature to resolve all claims and disputes between the state and OHA on the income due for the time between November 1978 and July, 2008.

Mahalo nui loa,

Vanda Hanakahi, Chair, Moloka'i

Aha Kiole Advisory Committee

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