A BILL FOR AN ACT

RELATING TO A FINANCIAL REVIEW BY THE OFFICE OF HAWAIIAN AFFAIRS OF COMPLIANCE WITH SECTION 5 OF ACT 178, SESSION LAWS OF HAWAII 2006.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. One of the purposes of Act 178, Session Laws of
- 2 Hawaii 2006, was to identify revenue-generating public trust
- 3 lands and the revenue amounts derived from those lands by
- 4 requiring that the department of land and natural resources
- 5 provide an annual accounting to the legislature. Section 5 of
- 6 Act 178 requires that, no later than January 1 of each year, the
- 7 department of land and natural resources, with the cooperation
- ${f 8}$ of the department of budget and finance and any other state
- 9 department or agency that uses or manages public lands, provide
- 10 an accounting of all receipts from lands described in section
- 11 5(f) of the Admission Act for the prior fiscal year. Section 5
- 12 of Act 178 also requires that with respect to each receipt, the
- 13 department of land and natural resources must identify:
- 14 (1) The total gross amount;
- 15 (2) The amount transferred to the office of Hawaiian
- 16 affairs;
- 17 (3) The amount retained by the State;

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1	(4)	The account or fund into which the amount specified in
2		paragraph (3) was transferred or deposited;
3	(5)	The parcel of land subject to section 5(f) of the
4		Admission Act that generated the receipt, whether by
5		tax map key number, department of land and natural
6		resources inventory number, or other recognizable
7		description; and
8	(6)	The state department or agency that received the total
9		gross amount identified in paragraph (1).
10	In addition, section 5 of Act 178 requires that the	
11	accounting indicate whether any parcel of land described in	
12	section 5(f) of the Admission Act was sold or exchanged in the	
13	prior fiscal year and, if so, the amount of consideration that	
14	the State	received for the respective parcels. Section 5 of Act
15	178 also requires that the department of land and natural	
16	resources consult the office of Hawaiian affairs in determining	
17	the method in which the accounting must be conducted.	
18	Full compliance with Act 178 is critical to fulfilling the	
19	State's trust obligation regarding the lands in the public land	
20	trust and the office of Hawaiian affairs. The purpose of this	
21	Act is to	authorize the office of Hawaiian affairs to conduct a

- 1 financial review of the State's compliance with section 5 of Act
- **2** 178.
- 3 SECTION 2. The office of Hawaiian affairs is authorized to
- 4 conduct a financial review of the State's compliance with
- 5 section 5 of Act 178, Session Laws of Hawaii 2006.
- 6 SECTION 3. The department of land and natural resources,
- 7 the department of budget and finance, and any other state
- 8 department or agency that uses or manages public lands shall
- 9 fully cooperate with and provide assistance to the office of
- 10 Hawaiian affairs as needed with respect to the financial review
- 11 conducted pursuant to this Act. Each department or agency
- 12 subject to the financial review conducted pursuant to this Act
- 13 shall respond promptly, and in no event later than thirty days
- 14 after a request made by the office of Hawaiian affairs, to any
- 15 financial review-related request made by the office of Hawaiian
- 16 affairs, including through the provision of records and other
- 17 information in the course of the financial review.
- 18 SECTION 4. Funding for the financial review authorized by
- 19 this Act shall be provided by the office of Hawaiian affairs in
- 20 an amount to be determined by the office of Hawaiian affairs.
- 21 SECTION 5. The office of Hawaiian affairs shall submit the
- 22 findings and recommendations of any financial review that it

- 1 conducts under this Act, including any proposed legislation, to
- 2 the legislature no later than twenty days prior to the convening
- 3 of the regular session of 2015.
- 4 SECTION 6. This Act shall take effect upon its approval.

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Report Title:

Office of Hawaiian Affairs Package; Financial Review; Land Revenue

Description:

Authorizes the office of Hawaiian affairs to conduct a financial review of the State's compliance with section 5 of Act 178, Session Laws of Hawaii 2006. Mandates that each department or agency respond to all financial review-related requests made by the office of Hawaiian affairs no later than thirty days after the request is made. (SD1)

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