STAND. COM. REP. NO. 10 -16

Honolulu, Hawaii **Reserved**, 2016 RE: H.B. No. 1931 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Ocean, Marine Resources, & Hawaiian Affairs, to which was referred H.B. No. 1931 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT,"

begs leave to report as follows:

The purpose of this measure is to reduce the blood quantum requirement for certain successors or transferees of lessees of Hawaiian home lands from one quarter to one thirty-second.

Your Committee received testimony in support of this measure from a member of the Kaua'i County Council, Council for Native Hawaiian Advancement, Sovereign Councils of the Hawaiian Homelands Assembly, Keaukaha Community Association, KAFarmers Hui, and several individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. The Department of Hawaiian Home Lands submitted comments.

Your Committee notes the testimony of the Department of Hawaiian Home Lands which discusses an unintended consequence of the current law regarding transfer of leases. Because the current law allows for both the purchase of a lease and multiple lease applications, a qualified applicant of fifty percent blood quantum may be able to receive or purchase one lease, transfer that lease to a relative of at least twenty-five percent blood quantum, and then receive or purchase one or more subsequent leases, which the

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applicant can also transfer in the same manner. Since there are currently no limits on lease transfers, some beneficiaries have taken advantage of this provision to secure home land leases for multiple relatives who would not otherwise qualify as native Hawaiian applicants of at least fifty percent blood quantum. Your Committee agrees with the Department that no further changes should be made to lease transfer provisions until the Department is able, in consultation with its beneficiary community, to develop a transfer policy that is fair to both the native Hawaiian beneficiaries with wait-listed lease applications and to current lease holders.

Your Committee further notes that many native Hawaiian beneficiaries are never able to secure a home land lease at all because they pass away during the pendency of their lease applications. Your Committee notes that the successors of these beneficiaries may never be able to receive a home lands lease because the successors may not be qualified as native Hawaiian applicants although they would have qualified as successors or transferees. Your Committee respectfully requests that the Department of Hawaiian Home lands consider proposing a solution to this issue, which may include the reconsideration of applicant eligibility criteria, to the Legislature at some time in the future.

Your Committee has amended this measure by:

- Deleting language that would have reduced blood quantum requirements for transferees of lessees;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1931, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1931, H.D. 1, and be referred to your Committee on Judiciary.



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Respectfully submitted on behalf of the members of the Committee on Ocean, Marine Resources, & Hawaiian Affairs,

KANIELA ING, Chair

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Record of Votes of the Committee on Ocean, Marine Resources, & Hawaiian Affairs

	Dud, FIN 2/3/16			
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) □ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
OMH Members	Ayes	Ayes (WR)	Nays	Excused
1. ING, Kaniela (C)				
2. LOWEN, Nicole E. (VC)	V			
3. CULLEN, Ty J.K.				
4. EVANS, Cindy				
5. LEE, Chris	\checkmark			
6. NISHIMOTO, Scott Y.				
7. SAY, Calvin K.Y.				
8. YAMANE, Ryan I.				
9. POUHA, Feki				
10. THIELEN, Cynthia		\checkmark		·
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TOTAL (10)	9	1		
The recommendation is: Adopted In Not Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature: MUGC Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				