

**SCR 162**



## **TESTIMONY OF THE DEPARTMENT OF THE ATTORNEY GENERAL TWENTY-EIGHTH LEGISLATURE, 2016**

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**ON THE FOLLOWING MEASURE:**

S.C.R. NO. 162, REQUESTING THE ESTABLISHMENT OF THE PUBLIC LAND TRUST REVENUES NEGOTIATING COMMITTEE.

**BEFORE THE:**

SENATE COMMITTEES ON WATER, LAND, AND AGRICULTURE AND ON  
HAWAIIAN AFFAIRS

**DATE:** Monday, March 28, 2016

**TIME:** 1:15 p.m.

**LOCATION:** State Capitol, Room 016

**TESTIFIER(S):** Douglas S. Chin, Attorney General, or  
Charleen M. Aina, Deputy Attorney General

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Chairs Gabbard and Shimabukuro and Members of the Committees:

The Department of the Attorney General supports adoption of S.C.R. No. 162.

This resolution requests that a negotiating committee be established consisting of the President of the Senate, the Speaker of the House, the Governor, and the Chairperson of the Office of Hawaiian Affairs (OHA)'s Board of Trustees, or their designees, to engage in discussions with the purpose of resolving the matter of the income and proceeds from the public land trust OHA receives. The resolution also requests that the Committee submit a status report to the Legislature twenty days prior to the 2017 Regular Session, and a final report twenty days prior to the 2018 Regular Session.

Ten years ago, the Legislature established \$15.1 million as the portion of income and proceeds from the public land trust lands that state agencies responsible for the use and management of the public land trust lands are to transfer to OHA on a quarterly basis. As this resolution notes, the process and amount fixed as OHA's share by Act 178 was not the Legislature's last word on OHA's annual share.

Informed, thoughtful, and complete discussions are critical to establishing a permanent mechanism for OHA to receive a portion of the income and proceeds from the public land trust lands, and the Department of the Attorney General supports passage of this resolution to further that effort. We note, however, that resolutions do not have the force and effect of law, and thus cannot establish or authorize the establishment of a state agency or entity. Given this, we suggest the resolution be revised to urge the Senate President, Speaker of the House, Governor, and

Chair of OHA's Board of Trustees and their designees, to engage in discussions with each other, and make recommendations to the Legislature to implement the provisions of article XII, section 6 of the State Constitution, and establish a permanent means of providing OHA with a share of the income and proceeds from the public land trust lands.

Finally, we ask that the fourth recital of the resolution describing Act 15, Session Laws of Hawaii 2012, be amended to refer to "claims of" rather than "monies owed to" "the Office of Hawaiian Affairs for income and proceeds from the public land trust."

Thank you for the opportunity to testify.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
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**Subject:** Submitted testimony for SCR162 on Mar 28, 2016 13:15PM  
**Date:** Thursday, March 24, 2016 9:56:04 AM  
**Attachments:** [SCR162 SR123 PLT Revenues Negotiating Committee WLA HWN 032816 FINAL.pdf](#)

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## **SCR162**

Submitted on: 3/24/2016

Testimony for WLA/HWN on Mar 28, 2016 13:15PM in Conference Room 016

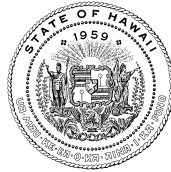
<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Office of Hawaiian Affairs	Office of Hawaiian Affairs	Support	Yes

### Comments:

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GOVERNOR



WESLEY K. MACHIDA  
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RODERICK K. BECKER  
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EMPLOYEES' RETIREMENT SYSTEM  
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OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEES ON HAWAIIAN AFFAIRS  
AND WATER, LAND, AND AGRICULTURE  
ON  
SENATE RESOLUTION NO. 123/SENATE CONCURRENT RESOLUTION NO. 162**

March 28, 2016  
1:15 p.m.

**REQUESTING THE ESTABLISHMENT OF THE PUBLIC LAND TRUST REVENUES  
NEGOTIATING COMMITTEE**

Senate Resolution No. 123/Senate Concurrent Resolution No. 162 establishes a Public Land Trust Revenues Negotiating Committee to discuss the monies that the Office of Hawaiian Affairs (OHA) is to receive as its pro rata portion of the public land trust. This measure also requires that the negotiating committee submit a status report of its discussions to the Legislature no later than 20 days prior to the convening of the 2017 Regular Session and shall submit a final report of its findings, recommendations, and any proposed legislation to the Legislature no later than 20 days prior to the convening of the 2018 Regular Session.

The Department of Budget and Finance would like to point out that departments making ceded land payments have informally expressed concerns with respect to the recent report that OHA commissioned on public land trust payments. These concerns relate to the completeness and appropriateness of the conclusions reached in the report including, but not limited to, discrepancies over land parcels that the report identified as public land trust lands and discrepancies regarding revenues to which OHA is entitled to a pro rata share.

We strongly recommend that these issues and concerns be taken into consideration by the Public Land Trust Revenues Negotiating Committee.



## **Association of Hawaiian Civic Clubs**

P. O. Box 1135  
Honolulu, Hawai`i 96807

### **COMMITTEES ON HAWAIIAN AFFAIRS; WATER, LAND AND AGRICULTURE**

#### **SR 123/SCR 162 Requesting the establishment of a Public Land Trust Revenues Negotiating Committee**

**Monday; 3/28/16; 1:15pm; Rm 016**

Aloha Chairman Shimabukuro and vice chair English of the Hawaiian Affairs Committee, and Chairman Gabbard and vice chair Nishihara and members of the Senate joint committees.

I am Annelle Amaral, president of the Association of Hawaiian Civic Clubs, an organization formed in 1918 as an advocacy group on behalf of the Native Hawaiian people. I submit this testimony on behalf of the AHCC which has benefited from the programs and grants from this Trust Fund.

The first Hawaiian Civic Club was founded by Prince Jonah Kuhio Kalanianaʻole as a Delegate to the US Congress trying to establish the legislation that is the cornerstone for the Department of Hawaiian Home Lands. He gathered a group of prominent Hawaiian men and formed the Hawaiian Civic Club of Honolulu to help promote the Hawaiian homesteading legislation before the Congress.

In 1959 existing civic clubs on all islands were incorporated into an Association currently numbering sixty seven clubs throughout Hawaii and the continent. Members join understanding that civic clubs serve as advocates for the betterment of conditions of the indigenous people of Hawaii.

The Board of Directors of the Association of Hawaiian Civic Clubs held a quarterly meeting on January 15, 2016 which included the

presidents and board members of the councils in each county of Hawaii as well as the council representing sixteen states on the continent. Representatives from the Office of Hawaiian Affairs appeared before the AHCC Board to discuss the OHA legislative measures to be introduced in the 2016 legislative session.

After some discussion the AHCC board agreed to support legislation that would provide OHA with a fair share of the Public Trust Land revenues. OHA's share of the PTL revenues go toward a wide range of support programs, services and initiatives that include but are not limited to health, education, housing, culture and general community wellness.

This legislation will establish a public land trust revenues negotiating committee to sort out what has become a complicated issue of payment, overpayment, shortfalls and repayments. We sincerely hope that the committee suggested in SR 123/SCR 162 to consist of: the Senate president (or designee), Speaker of the House (or designee), Governor of Hawaii (or designee) and the Chairperson of the Office of Hawaiian Affairs (or designee) will be able to fairly resolve the matter of PLT annual income and proceeds to OHA.

**We would like to offer an amendment to the bill that would require transparency when the negotiating committee meets and a pre-meeting agenda be published just as with any other board or commission.**

Thank you for the opportunity to testify on this concurrent resolution that is of extreme importance to the continued betterment of conditions of the indigenous people of Hawaii.

Contact: [Jalna.keala2@hawaiiantel.net](mailto:Jalna.keala2@hawaiiantel.net)

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**Subject:** Submitted testimony for SCR162 on Mar 28, 2016 13:15PM  
**Date:** Tuesday, March 22, 2016 3:24:19 PM

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**SCR162**

Submitted on: 3/22/2016

Testimony for WLA/HWN on Mar 28, 2016 13:15PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Benton	Individual	Support	No

Comments: I live in Palolo Valley on the island of O'ahu. I strongly SUPPORT (HCR188/SCR68) which would be the first major step taken in the last 10 years to ensure that Hawaiians receive a fair annual share of Public Land Trust revenues. The temporary \$15.1 million cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. The Public Land Trust revenue provides OHA with funding to support important programs and services, including Hawaiian charter schools, health, housing, and cultural based initiatives. OHA has greatly impacted my community through their grants and loan programs. I urge the committee to PASS this measure. Benton Pang

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**Subject:** Submitted testimony for SCR162 on Mar 28, 2016 13:15PM  
**Date:** Thursday, March 24, 2016 4:42:34 PM

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**SCR162**

Submitted on: 3/24/2016

Testimony for WLA/HWN on Mar 28, 2016 13:15PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Ka'iulani Pahi'o	Individual	Support	No

Comments: Mahalo nui for your efforts to support the Office of Hawaiian Affairs and all that they do to strengthen all our communities! Aloha!

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SCR162 Testimony

March 28, 2016 1:15m Room 16

Aloha Kākou, my name is Lehua Itokazu and I am a beneficiary.

I strongly **SUPPORT** bill (HCR188/SCR162)

The temporary \$15.1 million cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. In 2006, OHA and the state finally agreed on an interim resolution, by the passage of Act 178, which temporarily set OHA's annual share as \$15.1 million, "until further action is taken by the legislature." Now is the time to revisit. Providing OHA with a fairer share of the Public Land Trust would benefit the Native Hawaiian community as well as the social, economic, environmental, and cultural welfare of our islands. Just this past year alone, OHA provided nearly \$11 million in grants for programs addressing our state's most critical issues, including housing and homelessness, education, environmental stewardship, food security, and healthcare. OHA also provided over \$1 million in loans for beneficiary needs ranging from home and auto repairs to legal fees and educational opportunities. This bill will allow the Office of Hawaiian Affairs to continue to help our lāhui and better the lives of many in so many ways. This is long overdue and I hope that you will consider passing this bill.

Mahalo nui for your time,

Lehua Itokazu  
1821 Ke'eaumoku St. Apt 104  
Honolulu, HI 96822

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**Subject:** Submitted testimony for SCR162 on Mar 28, 2016 13:15PM  
**Date:** Tuesday, March 22, 2016 2:49:16 PM

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## **SCR162**

Submitted on: 3/22/2016

Testimony for WLA/HWN on Mar 28, 2016 13:15PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Koholua	Individual	Support	No

Comments: TESTIMONY I live in Kapolei, Oahu. I strongly SUPPORT (SCR162) which would be the first major step taken in the last 10 years to ensure that Hawaiians receive a fair annual share of Public Land Trust revenues. The temporary \$15.1 million cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. The Public Land Trust revenue provides OHA with funding to support important programs and services, including Hawaiian charter schools, health, housing, and cultural based initiatives. OHA has greatly impacted my community through their grants and loan programs. I urge the committee to PASS PASS PASS this measure.

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