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HOUSE RESOLUTION

REQUESTING THE OFFICE OF HAWAIIAN AFFAIRS TO CONVENE A TASK FORCE OF HAWAIIAN LEADERS, LEGAL SCHOLARS, AND A BROAD REPRESENTATION OF MEMBERS OF THE HAWAIIAN COMMUNITY TO REVIEW AND CONSIDER WHETHER ITS FIDUCIARY DUTY TO BETTER THE CONDITIONS OF HAWAIIANS AND MANAGE ITS RESOURCES TO MEET THE NEEDS OF HAWAIIAN BENEFICIARIES WOULD BE BETTER SERVED BY HAVING TRUSTEES APPOINTED RATHER THAN ELECTED.

WHEREAS, article XII, section 5, of the Hawaii State
 Constitution created the Office of Hawaiian Affairs (OHA), to be
 governed by not less than a nine member board of trustees who
 shall be Hawaiian and elected by qualified voters who are
 Hawaiian, as provided by law; and

7 WHEREAS, the 1978 Constitutional Convention created a 8 number of committees, including a Hawaiian Affairs Committee 9 that proposed the creation of OHA to manage and administer 10 resources held for the benefit of people of Hawaiian ancestry; 11 and

WHEREAS, these proposed amendments were approved by the
Convention as a whole and were then ratified by Hawaii voters in
November of 1978; and

WHEREAS, Standing Committee Report No. 59 from the Convention's Hawaiian Affairs Committee articulates the primary principle which committee members wanted to ensure through its creation of OHA: the right of Hawaiians to elect their Hawaiian leaders and Hawaiian control of Hawaiian trust assets as a seeming response to the overthrow of the lawful government of Hawaii in 1893 by the United States; and

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WHEREAS, the committee wrote:

27 "Your committee is unanimously and strongly of the
28 opinion that people to who assets belong should have
29 control over them. In order to insure accountability, it
30 was felt that the board should be composed of elected
31 members. The election of the board will enhance



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representative governance and decision-making 1 2 accountability, and, as result, strengthen the fiduciary relationship between the board member, as trustee, and the 3 4 native Hawaiian, as beneficiary. Finally, the committee 5 agreed that the board should be elected by all the beneficiaries. Certainly, they would best protect their 6 7 own rights"; and 8 9 WHEREAS, the Hawaiian Affairs Committee's recommendations were included in and strongly endorsed by the written report of 10 the Convention's Committee of the Whole which focused on the 11 need for Hawaiians to be able to realize a sense of self-12 determination and self-government through creation of OHA, 13 stating: 14 15 16 "Members were impressed by the concept of the Office of Hawaiian Affairs which establishes a public trust entity 17 for the benefit of the people of Hawaiian ancestry. 18 Members foresaw that it will provide Hawaiians the right to 19 determine the priorities which will effectuate the 20 21 betterment of their condition and welfare and promote the 22 protection and preservation of the Hawaiian race. 23 . . If one looks to the precedent of other native peoples, one 24 25 finds that they have traditionally enjoyed selfdetermination and self-government. They have power to make 26 their own substantive rules in internal matters. Although 27 no longer possessed of the full attributes of sovereignty, 28 29 they remain a separate people with the power of regulation over their internal and social problems. 30 The establishment 31 of the Office of Hawaiian Affairs is intended to grant similar rights to Hawaiians."; and 32 33 WHEREAS, this history was confirmed by the Hawaii Supreme 34 Court in 1987 in Trustees v. Yamasaki, 69 Haw. 154, 737 P.2d 446 35 (1987); and 36 37 WHEREAS, in February of 2000, the United States Supreme 38 Court in Rice v. Cayetano struck down the State's provisions 39 restricting OHA elections to those of Hawaiian ancestry only on 40 the grounds that it violated the Fifteenth Amendment to the 41 42 United States Constitution, which provides that, "[t]he right to



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vote shall not be denied or abridged by the United States or by 1 2 any State on account of race, color, or previous condition of servitude"; and 3 4 5 WHEREAS, in Rice v. Cayetano, a divided United States Supreme Court held that the State violated the express 6 7 provisions of the Fifteenth Amendment by limiting the right to 8 elect OHA trustees in an official state election where only 9 voters of Hawaiian ancestry were entitled to vote for potential 10 OHA trustees; and 11 12 WHEREAS, Justice Kennedy, writing for the majority, opined that "[a]ncestry can be a proxy for race. It is that proxy 13 14 here"; and 15 16 WHEREAS, after the decision in Rice, all qualified voters in Hawaii were empowered to elect the OHA trustees; and 17 18 WHEREAS, a subsequent challenge was filed in 2002 against 19 the State's constitutional and statutory provisions requiring 20 21 that only individuals of Hawaiian ancestry could be elected as 22 OHA trustees; and 23 24 WHEREAS, in Arakaki v. State, the Ninth Circuit Court of 25 Appeals struck the statutory and constitutional provisions limiting who could run for and be elected to OHA solely to those 26 of Hawaiian ancestry; and 27 28 WHEREAS, the Ninth Circuit held that disqualifying those 29 30 who were not of Hawaiian ancestry from running for a position as an OHA trustee compromised potential voter's Fifteenth Amendment 31 rights and therefore was unconstitutional; and 32 33 34 WHEREAS, since the decision in Arakaki, non-Hawaiians are now eligible to run for and be elected as OHA trustees; and 35 36 37 WHEREAS, the ability for Hawaiians to exercise their right to self-determination through the election of OHA trustees has 38 been substantially diminished because non-Hawaiians are now 39 40 entitled to vote for and run for a position as an OHA trustee; 41 and 42



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WHEREAS, OHA trustees are presently elected and primarily
 function as political office holders and less as trustees who
 are charged with exercising the highest fiduciary duty at law to
 their Hawaiian beneficiaries; and

6 WHEREAS, there are well-qualified individuals with strong 7 ties and stellar records of service to the Hawaiian community, 8 who meet the exacting legal and fiduciary requirements of 9 serving as a trustee, and who would consent to serving as an OHA 10 trustee if they were appointed rather than elected; and

WHEREAS, the requirements to be appointed as a trustee by the court rather than being elected to political office requires a level of skill, expertise, maturity, and judgement that is the highest at law because trustees have a fiduciary obligation to prudently serve the interests of beneficiaries above their own interests; and

WHEREAS, in the most recent OHA election in 2016, where two OHA trustee positons were on the ballot, there were 100,464 (twenty-three percent) blank votes recorded in the Hawaii island resident trustee election and 117,600 (26.9 percent) blank votes were recorded in the at-large trustee race, which indicates that a substantial group of voters who show up to vote choose not to vote in OHA elections; and

WHEREAS, it is in the best interests of Hawaiian
beneficiaries that the most competent, skillful, mature, and
trustworthy individuals serve as trustees over the resources and
policies developed and implemented to better the conditions of
Hawaiian beneficiaries; and

33 WHEREAS, there is a need to review the question of whether 34 the manner of selecting OHA trustees may be improved upon 35 through an appointment process, to consider the appropriate 36 appointing authority, and how to develop a list of the best 37 qualified potential trustees for submittal to the appointing 38 authority; now, therefore,

BE IT RESOLVED by the House of Representatives of the
Twenty-ninth Legislature of the State of Hawaii, Regular Session
of 2017, that the Office of Hawaiian Affairs is requested to



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1 convene a group of Hawaiian leaders, legal scholars, and 2 Hawaiian community members to review whether the manner of 3 selecting and seating OHA trustees could be improved upon 4 through an appointment process rather than by election, consider 5 the appropriate appointing authority, and consider how to 6 develop a list of the best qualified potential trustees for 7 submittal to the appointing authority; and 8

9 BE IT FURTHER RESOLVED that the Office of Hawaiian Affairs 10 report to the legislature no later than twenty days prior to the 11 convening of the Regular Session of 2018 on findings and 12 recommendations, including any proposed legislation; and 13

14 BE IT FURTHER RESOLVED that certified copies of this 15 Resolution be transmitted to the Chairperson of the Board of 16 Trustees of the Office of Hawaiian Affairs and the Chief 17 Executive Officer of the Office of Hawaiian Affairs. 18

OFFERED BY:

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