DAVID Y. IGE GOVERNOR STATE OF HAWAII

SHAN S. TSUTSUI LT. GOVERNOR STATE OF HAWAII



JOBIE M. K. MASAGATANI CHAIRMAN HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

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TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN HAWAIIAN HOMES COMMISSION BEFORE THE HOUSE COMMITTEE ON JUDICIARY

HB 2464, HD1 RELATING TO THE HAWAIIAN HOMES COMMISSION ACT

February 15, 2018

Aloha Chair Nishimoto and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) submits comments on this bill that makes any person who sells or transfers an interest in a Hawaiian home lands lease ineligible to receive a subsequent lease for the same class of land except in limited circumstances.

The Department supports the intent of the bill which is aimed at addressing applicants on the waitlist. The Department started addressing this issue by promulgating a rule that would prohibit the sale of undivided interests and leases to lots that are vacant or undeveloped. The Hawaiian Homes Commission is also considering a right of first refusal to homestead applicants on the waitlist.

We appreciate the Committee's efforts to look at addressing lessee activities that beneficiaries have expressed concern over in the past. We look forward to working with you during this session to see what amendments could be considered to either the HHCA or the department's administrative rules to address these concerns while trying to minimize the impact of any unintended consequences.

Thank you for your consideration of our testimony.



HB2464 HD2 RELATING TO THE HAWAIIAN HOMES COMMISSION ACT

House Committee on Finance

February 28, 2018 12:00 PM Room 308

The Office of Hawaiian Affairs (OHA) appreciates the opportunity to provide **COMMENTS** on HB2464 HD2, which proposes that a Hawaiian Home Lands lessee who sells or transfers his or her interest in a lease, even in a manner currently authorized by the Hawaiian Homes Commission Act, shall be ineligible to receive a subsequent lease for the same class of lands, except under limited exceptions.

HB2464 HD2 may unfairly limit the economic opportunities of Hawaiian home lands lessees, particularly when they have invested in improvements to their lots, and/or find themselves needing to divest themselves of their leases due to financial, medical, or other exigent circumstances. As such, this measure may have the unintended consequence of limiting lessees' options when faced with difficult life and family choices, a limitation not imposed on others who have invested in their property. Further, the Hawaiian Home Commission Act clearly gives lessees the right to transfer their homesteads with the DHHL's approval—a right which this measure seeks to abridge.

OHA notes that this bill is unnecessary to address the waitlist backlog. Foremost, ensuring sufficient resources are allocated and then prioritized for this purpose is the best way to address the backlog. Further, DHHL already has the authority to set policies as it relates to lease transfers. OHA notes that recently promulgated DHHL administrative rules, in particular Hawai'i Administrative Rules § 10-3-36, endeavors to address the waitlist backlog by ensuring that lease transfers to waitlisted beneficiaries shall be prioritized over non-waitlisted beneficiaries. This is one example of an administrative rule structure that may address the waitlist backlog without unduly restricting lessees' pursuit of economic opportunities or change in personal and family circumstances. As DHHL described in its testimony, it is also carefully weighing other potential lease transfer policies.

OHA urges the committee to consider whether restricting the rights of lessees is the most effective way of accomplishing this measure's purpose.

Mahalo nui for the opportunity to testify on this measure.



KO'OLAUPOKO HAWAIIAN CIVIC CLUB

February 28, 2018

To: Rep. Sylvia Luke, Chair / Rep. Ty Cullen, Vice Chair

& Members, House Finance Committee

From: Alice P. Hewett, President

Ko`olaupoko Hawaiian Civic Club

Re: <u>SUPPORT – H.B. 2464, H.D. 2 – Relating to the Hawaiian Homes Commission</u>

Aloha Chair Luke, Vice Chair Cullen, and honorable members of this Committee:

The Ko'olaupoko Hawaiian Civic Club strongly supports House Bill 2464, House Draft 2, which cleans up a problem we have noted with certain Hawaiian Homelands beneficiaries receiving multiple homestead awards, contrary to the intent of the Act.

Among our membership, which is composed primarily of native Hawaiians from around the Kane'ohe bay's nine ahupu'a, most of them have been unable to acquire homestead awards even though they are eligible and have been on the waiting list for years. Some of our members were even involved in a lawsuit against DHHL, in which the Court ruled in their favor, because they had been passed over for homestead awards for many decades. Sadly, some of these kupuna have passed on, never achieving their dream of having a homestead of their own.

We have witnessed among some people the practice of obtaining a DHHL homestead award, then selling or transferring the award to someone else, then re-applying and receiving another award. This practice is unjust and unfair, and should be ended.

We strongly support this bill and believe it will go far to enable more Hawaiian families to receive homestead awards in the future.

Mahalo for this opportunity to share our mana'o.

The Ko`olaupoko Hawaiian Civic Club was established in 1937 and is one of the largest in the Association of Hawaiian Civic Clubs nationwide. Ko`olaupoko HCC is a not-for-profit community organization dedicated to preserving and perpetuating the history, heritage and culture of Native Hawaiians and providing leadership and scholarships. Its membership is open to people of Hawaiian ancestry and those who are "Hawaiian at heart."

Submitted on: 2/26/2018 10:31:07 PM

Testimony for FIN on 2/28/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

We continue to STRONGLY SUPPORT this bill. Mahalo.

<u>HB-2464-HD-2</u> Submitted on: 2/27/2018 11:55:14 AM

Testimony for FIN on 2/28/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

Submitted on: 2/26/2018 10:51:10 PM

Testimony for FIN on 2/28/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Rachel L. Kailianu	Individual	Support	Yes	

Comments:

I STRONGLY SUPPORT THIS BILL.

Submitted on: 2/26/2018 9:46:11 PM

Testimony for FIN on 2/28/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephanie Lauifi	Individual	Support	No

Comments:

Being a fourth generation homesteader, I feel that it is an honor and a blessing to live on Hawaiian Home Lands. Transferring/selling a lot should be done only under extreme circumstances and one who does it should not be allowed back on the list as he/she gave up that right when they transferred or sold their lease.



Submitted on: 2/27/2018 10:41:11 PM

Testimony for FIN on 2/28/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
charity kekauoha	Individual	Support	No

Comments:

I SUPPORT THIS BILL DUE TO ABUSE OF LEASE HOLDERS.