

STAND. COM. REP. NO. 3347

Honolulu, Hawaii

MAR 23 2022

RE: H.B. No. 2511
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Hawaiian Affairs, to which was referred
H.B. No. 2511, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN
HOME LANDS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Appropriate funds into and out of the Native Hawaiian
Rehabilitation Fund for the Department of Hawaiian Home
Lands to fulfill its fiduciary duties to beneficiaries;
and
- (2) Require the Department of Hawaiian Home Lands to submit
an annual report to the Legislature.

Your Committee received testimony in support of this measure
from the Hawaii State Aha Moku; Department of Hawaiian Home Lands;
Office of Hawaiian Affairs; State Council on Developmental
Disabilities; Hawaiian Homes Commission; one member of the Hawaii
County Council; one member of the Maui County Council; Catholic
Charities Hawai'i; Maika'i Kamakani'O Kohala, Inc.; Hawaiian Affairs
Caucus of the Democratic Party of Hawai'i Executive Committee;
League of Women Voters of Hawaii; Ko'olau Foundation; Family
Promise of Hawaii; Hawaii Alliance for Community-Based Economic



Development; HOPE Services Hawaii; Council for Native Hawaiian Advancement; 'Ōhia Technology Group; Spoehr Foundation; Hawaii Habitat for Humanity Association; Mama Loa Foundation, Kanaka Maoli Jew; Waimea Hawaiian Civic Club; Habitat for Humanity Hawai'i Island; Hawaiian Community Asset; Environmental Caucus of the Democratic Party of Hawai'i; Hawai'i Appleseed Center for Law & Economic Justice; Maui/Lana'i Moku-puni Council; Ohana Program Foundation; Kula no na Po'e Hawaii; Ke One O Kākūhihewa; Papakolea Community Development Corporation; Ka Lāhui Hawaii; Partners in Care; American Civil Liberties Union of Hawai'i; Kaupea Hawaiian Homestead Association; and two hundred eighty four individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from the Department of the Attorney General, Department of Budget and Finance, Tax Foundation of Hawaii, Kaupea Hawaiian Homestead Association, and five individuals.

Your Committee finds that the mission of the Department of Hawaiian Home Lands is to develop and deliver land to native Hawaiians. The Department of Hawaiian Home Lands is responsible for the management of 203,500 acres of trust land. There are currently over 28,000 applicants on the waitlist for homestead lands, and availability of residential lands, cost of infrastructure, and available capital for mortgage financing present problems for servicing most of the beneficiaries on the waitlist. The purpose of this act is to provide \$600,000,000 to the Department of Hawaiian Home Lands to pursue a multi-pronged approach to eliminate the waitlist.

Your Committee notes that the companion to this measure, S.B. No. 3359, S.D. 2 (Regular Session of 2022), which was previously passed by the Senate, is a substantially similar measure that also provides funds to the Department of Hawaiian Home Lands to pursue a multi-pronged approach to eliminating its waitlist. Your Committee concludes that the language in S.B. No. 3359, S.D. 2, is preferable because it appropriates monies from the Native Hawaiian Rehabilitation Fund for specific purposes, rather than generally to fulfill Department of Hawaiian Home Lands' fiduciary duties to beneficiaries. Specifically, S.B. No. 3359, S.D. 2, contains language that:



- (1) Adds a reporting requirement to the Hawaiian Homes Commission Act for the Department of Hawaiian Home Lands to annually report to the Legislature an accounting of expenditures from the Native Hawaiian Rehabilitation Fund in the previous fiscal year and the number of beneficiaries removed from the waitlist through the use of Native Hawaiian Rehabilitation Fund;
- (2) Appropriates \$487,614,000 out of the Native Hawaiian Rehabilitation Fund for fiscal year 2022-2023 for plans, design, construction, land acquisition, and equipment for infrastructure for seventeen Department of Hawaiian Home Lands projects; and
- (3) Appropriates \$112,386,000 out of the Native Hawaiian Rehabilitation Fund for fiscal year 2022-2023 for down payment and mortgage payment assistance to beneficiaries of the Hawaiian Homes Commission Act.

Accordingly, your Committee has amended this measure by deleting its contents, inserting the contents of S.B. No. 3359, S.D. 2, and further amending it by:

- (1) Removing the proviso relating to the general fund appropriation into the Native Hawaiian Rehabilitation Fund, as recommended by the Attorney General;
- (2) Placing the reporting requirements in the Session Laws of Hawaii, rather than the Hawaiian Homes Commission Act;
- (3) Inserting a severability clause;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2511, H.D. 2, as amended herein, and recommends that it pass



Second Reading in the form attached hereto as H.B. No. 2511,
H.D. 2, S.D. 1, and be referred to your Committee on Ways and
Means.

Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,



MAILE S.L. SHIMABUKURO, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Hawaiian Affairs
HWN

Bill / Resolution No.:* HB 2511 HD2	Committee Referral: HWN, WAM	Date: 3/17/22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SHIMABUKURO, Maile S.L. (C)	/			
KEOHOKALOOLE, Jarrett (VC)	/			
ACASIO, Laura	/			
IHARA, Jr., Les	/			
FEVELLA, Kurt	/			
TOTAL	5	-	-	-
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes