

Honolulu, Hawaii

FEB 09 2022

RE: S.B. No. 3359
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
S.B. No. 3359 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 establish the
Hawaiian Home Lands special fund for the Department of Hawaiian
Home Lands to enable beneficiaries of the Hawaiian Home Land Trust
to acquire a residence and to enable the Department to fulfill its
fiduciary duties to beneficiaries.

Your Committee received testimony in support of this measure
from the Department of Hawaiian Home Lands, one member of the
Hawai'i County Council, Community Alliance on Prisons, Catholic
Charities Hawai'i, Council for Native Hawaiian Advancement, League
of Women Voters of Hawaii, Hawai'i Alliance for Community-Based
Economic Development, and eighty-four individuals. Your Committee
received testimony in opposition to this measure from one
individual. Your Committee received comments on this measure from
the Department of Budget and Finance.

Your Committee finds that through the Hawaiian Homes
Commission Act of 1920, the public land trust was created to set
aside lands to be used for the benefit of native Hawaiians. The
Department of Hawaiian Home Lands is currently in charge of the



management of 203,500 acres of trust lands, yet over 28,700 native Hawaiians remain on the waitlist for residential, agricultural, or pastoral leases.

Your Committee further finds that there are multiple challenges faced by the Department of Hawaiian Home Lands that prevent them from reducing those on the waitlist. These problems include most beneficiaries seeking residential properties when these lands represent the smallest percentage of Hawaiian home lands; the cost of infrastructure including planning, roads, utilities, and construction; and the base cost of mortgages in Hawaii being too high for many native Hawaiian families. To rectify this situation, this measure seeks to use revenues collected by the State as of fiscal year 2021 to create a special fund for the Department of Hawaiian Home Lands. The revenue will also partly be used to appropriate funds into and out of the Hawaiian home lands special fund to enable beneficiaries of the Hawaiian home lands trust to acquire a residence.

Your Committee has heard the testimony of the Department of Budget and Finance and notes the concerns that the proposed special fund may not be self-sustaining which is one of the prerequisites of a special fund under section 37-52.3, Hawaii Revised Statutes.

For the purposes of this Committee Report, the appropriation amount for this measure is originally \$600,000,000.

Your Committee has amended this measure by:

- (1) Replacing the appropriation amount of \$600,000,000 into and out of the Hawaiian Home Lands special fund with an unspecified amount;
- (2) Replacing the appropriation ceiling of \$600,000,000 for the Hawaiian Home Lands special fund with an unspecified amount; and
- (3) 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 S.B. No. 3359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3359, 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.:*	Committee Referral:	Date:		
SB 3359	HWN, WAM	2/3/2022		
<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)	X			
KEOHOKALOOLE, Jarrett (VC)	X			
ACASIO, Laura	X			
IHARA, Jr., Les	X			
FEVELLA, Kurt	X			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;"> </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes