

JAN 26 2022

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the mission of the
2 department of Hawaiian home lands is to develop and deliver land
3 to native Hawaiians. The trust, created by Congress through the
4 Hawaiian Homes Commission Act of 1920, as amended (HHCA), set
5 aside public lands to be used for the benefit of native
6 Hawaiians.

7 As required by the Admissions Act and as a compact with the
8 United States, the State of Hawaii and the people of Hawaii
9 adopted the HHCA as a provision of the Hawaii State Constitution
10 and agreed to faithfully carry out the spirit of the HHCA for
11 the rehabilitation of the Hawaiian race. These trust
12 responsibilities remain to this day.

13 The legislature also finds that today, the department of
14 Hawaiian home lands is responsible for the management of 203,500
15 acres of trust lands, 9,959 homestead leases statewide, and
16 44,096 lease applications. However, over 28,700 applicants



1 remain on the waitlist for residential, agricultural, or
2 pastoral leases.

3 The challenges faced by the department of Hawaiian home
4 lands in fulfilling its mission are multi-faceted, and include
5 but are not limited to:

- 6 (1) Availability of beneficiary preferred land. The
7 greatest demand, and subsequently, the longest waiting
8 list, is for residential property on Oahu. However,
9 the department of Hawaiian home lands' land holdings
10 on Oahu represent only three per cent of its total
11 lands;
- 12 (2) Cost of infrastructure. Preparing the department's
13 lands for homesteading with adequate roads, water,
14 sewer drainage, electrical, and other necessities
15 requires a steady source of funding to ensure that
16 environmental compliance, planning, design, and
17 construction phases are coordinated; and
- 18 (3) Capital for mortgage financing. With one of the
19 highest costs of living in the nation, department of
20 Hawaiian home lands beneficiaries also face the



1 challenging issue of obtaining capital for mortgages
2 to build homes and reside on trust lands.

3 The legislature further finds that the revenues collected
4 by the State as of fiscal year 2021 provide an unprecedented
5 opportunity to ensure critical long term access to adequate
6 funding for the department of Hawaiian home lands to meet its
7 challenges. Accordingly, the purpose of this Act is to provide
8 \$600,000,000 to the department of Hawaiian homelands to pursue a
9 multi-pronged approach to eliminating its waitlist.

10 Specifically, this Act:

- 11 (1) Establishes the Hawaiian home lands special fund; and
12 (2) Appropriates funds into and out of the Hawaiian home
13 lands special fund to enable beneficiaries of the
14 Hawaiian home lands trust to acquire a residence and
15 to enable the department to fulfill its fiduciary
16 duties to beneficiaries.

17 SECTION 2. The Hawaiian Homes Commission Act, 1920, as
18 amended, is amended by adding a new section to be appropriately
19 designated and to read as follows:

20 "§ . Hawaiian home lands special fund. (a) There is
21 established in the state treasury the Hawaiian home lands



1 special fund to be administered by the department of Hawaiian
2 home lands and into which shall be deposited:

3 (1) Appropriations made by the legislature to the special
4 fund;

5 (2) Grants provided by governmental agencies or any other
6 source;

7 (3) Donations and contributions made by private
8 individuals or organizations for deposit into the
9 special fund;

10 (4) Interest accrued on all amounts in the special fund;
11 and

12 (5) Any other moneys made available to the special fund
13 from other sources.

14 (b) Moneys in the special fund shall be used by the
15 department to fulfill its fiduciary duties to beneficiaries of
16 this Act, including providing funding for beneficiaries to
17 acquire a residence.

18 (c) The department of Hawaiian home lands shall submit an
19 annual report to the legislature no later than twenty days prior
20 to each regular session that includes:



1 (1) An accounting of the expenditures from the Hawaiian
2 home lands special fund in the previous fiscal year;
3 and

4 (2) The number of beneficiaries taken off the waitlist for
5 Hawaiian home lands using the funds of the Hawaiian
6 home lands special fund."

7 SECTION 3. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$600,000,000 or so
9 much thereof as may be necessary for fiscal year 2022-2023 to be
10 deposited into the Hawaiian home lands special fund established
11 pursuant to section 2 of this Act; provided that the
12 appropriation ceiling for the Hawaiian home lands special fund
13 shall be \$600,000,000.

14 SECTION 4. There is appropriated out of the Hawaiian home
15 lands special fund the sum of \$600,000,000 or so much thereof as
16 may be necessary for fiscal year 2022-2023 for the department of
17 Hawaiian home lands to enable beneficiaries of the Hawaiian home
18 lands trust to acquire a residence and to enable the department
19 to fulfill its fiduciary duties to beneficiaries.

20 The sum appropriated shall be expended by the department of
21 Hawaiian home lands for the purposes of this Act.



1 SECTION 5. New statutory material is underscored.

2 SECTION 6. This Act shall take effect on July 1, 2022.

3

INTRODUCED BY:

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be the initials 'JH' followed by a long horizontal stroke.

S.B. NO. 3359

Report Title:

Department of Hawaiian Home Lands; Hawaiian Home Lands Special Fund; Appropriation

Description:

Establishes the Hawaiian home lands special fund. Appropriates funds into and out of the special fund for DHHL to enable beneficiaries of the Hawaiian home lands trust to acquire a residence and to enable the department to fulfill its fiduciary duties to beneficiaries.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

