## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

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

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

As required by the Admissions Act and as a compact with the United States, the State of Hawaii and the people of Hawaii adopted the HHCA as a provision of the Hawaii State Constitution and agreed to faithfully carry out the spirit of the HHCA for the rehabilitation of the Hawaiian race. These trust 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

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remain on the waitlist for residential, agricultural, or 1 2 pastoral leases. The challenges faced by the department of Hawaiian home 3 lands in fulfilling its mission are multi-faceted, and include 4 but are not limited to: 5 (1) Availability of beneficiary preferred land. 6 The greatest demand, and subsequently, the longest waiting 7 list, is for residential property on Oahu. However, 8 9 the department of Hawaiian home lands' land holdings on Oahu represent only three per cent of its total 10 11 lands; Cost of infrastructure. Preparing the department's 12 (2) lands for homesteading with adequate roads, water, 13 sewer drainage, electrical, and other necessities 14 requires a steady source of funding to ensure that 15 16 environmental compliance, planning, design, and construction phases are coordinated; and 17 Capital for mortgage financing. With one of the 18 (3) highest costs of living in the nation, department of 19 20 Hawaiian home lands beneficiaries also face the

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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 funds to the department of Hawaiian homelands to pursue a multi-9 pronged approach to eliminating its waitlist. 10 Specifically, this Act: 11 (1) Establishes the Hawaiian home lands special fund; and 12 Appropriates funds into and out of the Hawaiian home (2) 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 "S. Hawaiian home lands special fund. (a) There is
21 established in the state treasury the Hawaiian home lands

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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 re	port to the legislature no later than twenty days prior
20	to each regular session that includes:	

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An accounting of the expenditures from the Hawaiian 1 (1) home lands special fund in the previous fiscal year; 2 3 and The number of beneficiaries taken off the waitlist for 4 (2) Hawaiian home lands using the funds of the Hawaiian 5 home lands special fund." 6 There is appropriated out of the general 7 SECTION 3. 8 revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2022-2023 to be 9 10 deposited into the Hawaiian home lands special fund established 11 pursuant to section 2 of this Act; provided that the appropriation ceiling for the Hawaiian home lands special fund 12 13 shall be \$ 14 SECTION 4. There is appropriated out of the Hawaiian home lands special fund the sum of \$ or so much thereof as 15 16 may be necessary for fiscal year 2022-2023 for the department of Hawaiian home lands to enable beneficiaries of the Hawaiian home 17 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.

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- 1 SECTION 5. New statutory material is underscored.
- 2 SECTION 6. This Act shall take effect on July 1, 2022.



#### 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 the Department of Hawaiian Home Lands 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. (SD1)

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