# 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. (a) The legislature finds that the mission of
- 2 the department of Hawaiian home lands is to develop and deliver
- 3 land to native Hawaiians. The public land trust, created by
- 4 Congress through the Hawaiian Homes Commission Act, 1920, as
- 5 amended (HHCA), set aside lands to be used for the benefit of
- 6 native Hawaiians.
- 7 As required by the Admission 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
- 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
- on Oahu represent only three per cent of its total
- 11 lands;
- 12 (2) Cost of infrastructure. Preparing the department's
- lands for homesteading with adequate roads, water,
- sewer drainage, electrical, and other necessities
- requires a steady source of funding to ensure that
- 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.
8	(b) Accordingly, the purpose of this Act is to provide
9	funds to the department of Hawaiian home lands to pursue a
10	multi-pronged approach to eliminating its waitlist.
11	Specifically, this Act:
12	(1) Requires the department of Hawaiian home lands to
13	submit annual reports to the legislature regarding
14	expenditures from the native Hawaiian rehabilitation
15	fund and the number of beneficiaries removed from the
16	waitlist for Hawaiian home lands through the use of
17	funds from the native Hawaiian rehabilitation fund;
18	and
19	(2) Appropriates moneys into and out of the native
20	Hawaijan rehabilitation fund for:

1		(A)	Hawaiian home lands lots and related projects;
2			and
3		(B)	Down payment assistance and mortgage payment
4			assistance to department of Hawaiian home lands
5			beneficiaries.
6	SECTI(	ON 2.	The Hawaiian Homes Commission Act, 1920, as
7	amended, is	s ame	ended by adding a new section to be appropriately
8	designated	and	to read as follows:
9	" <u>\$</u>	<u>.</u>	Native Hawaiian rehabilitation fund; reports.
10	The departm	ment	of Hawaiian home lands shall submit an annual
11	report to t	the 1	egislature no later than twenty days prior to
12	each regula	ar se	ssion that includes:
13	<u>(1)</u>	An ac	counting of the expenditures from the native
14	<u> </u>	Hawai	ian rehabilitation fund in the previous fiscal
15	7	year;	and
16	(2)	The n	umber of beneficiaries removed from the waitlist
17	<u> 1</u>	for H	awaiian home lands through the use of funds from
18	<u>t</u>	the n	ative Hawaiian rehabilitation fund."
19	SECTIO	ON 3.	There is appropriated out of the general
20	revenues of	f the	State of Hawaii the sum of \$600,000,000 or so
21	much there	of as	may be necessary for fiscal year 2022-2023 to be

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- deposited into the native Hawaiian rehabilitation fund; provided
  that this appropriation shall not bind the department of
  Hawaiian home lands to conform to the executive budget execution
- 4 policies and allotment process for the expenditure of funds.
- 5 SECTION 4. There is appropriated out of the native
- 6 Hawaiian rehabilitation fund the sum of \$487,614,000 or so much
- 7 thereof as may be necessary for fiscal year 2022-2023 for plans,
- 8 design, construction, land acquisition, and equipment for
- 9 infrastructure for the following projects:
- 10 1. East Kapolei IIC, Oahu
- A project for one hundred
- thirty new lots.
- 13 Total funding \$20,000,000
- 14 2. East Kapolei IID, Oahu
- 15 A project for one hundred
- sixty-seven new lots.
- 17 Total funding \$22,444,800
- 18 3. East Kapolei IIE, Oahu
- 19 A project for one hundred
- fifty-eight new lots.
- 21 Total funding \$24,460,800

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1	4.	East Kapolei IIF, Oahu	
2		A project for two hundred	
3		fifty new lots.	
4		Total funding	\$30,374,400
5	5.	East Kapolei IIA, Oahu	
6		A project for three hundred	
7		new lots.	
8		Total funding	\$5,000,000
9	6.	East Kapolei LDA3, Oahu	
10		A project for two hundred	
11		fifty new lots.	
12		Total funding	\$5,000,000
13	7.	Waimanalo, Oahu	
14		A project for one hundred	
15		fifty new agricultural and	
16		residential lots.	
17		Total funding	\$25,000,000
18	8.	Maili, Oahu	
19		A project for development	
20		and two hundred eighty new	
21		lots.	

1		Total funding	\$55,300,000
2	9.	Puunani Homestead Subdivision, Maui	
3		A project for one hundred	
4		sixty-one new lots.	
5		Total funding	\$13,200,000
6	10.	Puunani Homestead Phase 2, Maui	
7		A project for one hundred	
8		forty new lots.	
9		Total funding	\$32,000,000
10	11.	Keokea-Waiohuli Phase 2B And Phase 3, Maui	
11		A project for seventy-six	
12		new lots.	
13		Total funding	\$27,834,000
14	12.	West Maui Development - Leialii 1B, Maui	
15		A project for highway and	
16		parkway improvements, water	
17		development, and two	
18		hundred fifty new lots.	
19		Total funding	\$60,000,000
20	13.	Hoolehua - Naiwa Agricultural Subdivision,	Molokai, Maui

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1		A project for fifty-eight	
2		new agricultural lots.	
3		Total funding	\$30,000,000
4	14.	Hanapepe Phase 2, Kauai	
5		A project for seventy-five	
6		new residential lots.	
7		Total funding	\$20,000,000
8	15.	Laiopua Villages 1 and 2, Hawaii	
9		A project for four hundred	
10		new lots.	
11		Total funding	\$70,000,000
12	16.	Kau Phase 3, Hawaii	
13		A project for a water	
14		system and twenty-five new	
15		pasture lots.	
16		Total funding	\$40,000,000
17	17.	Honomu Phase 2, Hawaii	
18		A project for forty new	
19		subsistence agricultural	
20		lots.	
21		Total funding	\$2,000,000

- 1 The projects set forth in this section may include waste water
- 2 lines and water transmission lines for state projects; repair,
- 3 refurbishment, renovation, and new construction; ground and site
- 4 improvements; and equipment and appurtenances for each project.
- 5 The sum appropriated shall be expended by the department of
- 6 Hawaiian home lands for the purposes of this Act.
- 7 SECTION 5. There is appropriated out of the native
- 8 Hawaiian rehabilitation fund the sum of \$112,386,000 or so much
- 9 thereof as may be necessary for fiscal year 2022-2023 for down
- 10 payment assistance and mortgage payment assistance to
- 11 beneficiaries of the Hawaiian Homes Commission Act, 1920.
- The sum appropriated shall be expended by the department of
- 13 Hawaiian home lands for the purposes of this Act.
- 14 SECTION 6. New statutory material is underscored.
- 15 SECTION 7. This Act shall take effect on July 1, 2050.

### Report Title:

DHHL; Native Hawaiian Rehabilitation Fund; Appropriation

#### Description:

Requires the Department of Hawaiian home Lands to submit certain annual reports to the Legislature regarding the native Hawaiian rehabilitation fund. Appropriates moneys into and out of the fund for Hawaiian home lands lots, related projects, and down payment assistance and mortgage payment assistance to the department's beneficiaries. Effective 7/1/2050. (SD2)

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