JOSH GREEN, M.D. GOVERNOR | KE KIA'ĂINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ÄINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

> P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the Senate Committee on HAWAIIAN AFFAIRS

Tuesday, March 14, 2023 1:00 PM State Capitol, Conference Room 224 Via Videoconference

In consideration of HOUSE BILL 1508, HOUSE DRAFT 1 RELATING TO HAWAIIAN AFFAIRS

House Bill 1508, House Draft 1 proposes to appropriate moneys to the Department of Business, Economic Development, and Tourism and the Department of Land and Natural Resources (Department) to improve Native Hawaiian communities and culture through various assistance programs, including programs that offer Native Hawaiian historic preservation, business training, entrepreneurship, and mentoring. **The Department of Land and Natural Resources (Department) supports this measure and recommends an amendment.**

The Department's testimony is limited to SECTION 4 which would provide proposed grants for national and international repatriation. The Department believes that it is entirely appropriate that the state provide funds to support efforts to repatriate iwi kupuna and any associated funerary objects in museum and agency facilities in the United States or in other countries. The federal Native American Graves Protection and Repatriation Act (NAGPRA) enacted in 1992 requires museums and federal agencies to repatriate Native Hawaiian human remains and funerary objects, sacred and ceremonial objects, and items of cultural patrimony to lineal descendants or culturally affiliated Native Hawaiian Organizations. Unfortunately, Congress has never appropriated sufficient funds to implement NAGPRA and over three decades later the mandated repatriation is still incomplete.

NAPGRA does not apply internationally and, so far as the Department is aware, no other nation has statutes requiring proactive inventory and repatriation of iwi kupuna and other items covered by NAGPRA. International repatriation lags even further than such efforts in the United States.

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> LAURA H.E. KAAKUA FIRST DEPUTY

M. KALEO MANUEL DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS As there is only a tiny amount of federal funds available to museums, federal agencies, and Native Hawaiian Organizations, and the Department is not aware that there is any source of funding for international repatriation, the Department believes that it is entirely appropriate for the Legislature to appropriate funds for this purpose.

The Department anticipates that these funds will be administered by the State Historic Preservation Division (SHPD), which does not currently have the level of staffing necessary to carrying out this activity effectively and efficiently. The Department recommends that this measure establish and fund one position in SHPD for this purpose at a half year salary of \$30,000 for the first year of this grant program. The Department also recommends that if the Legislature appropriates a level of funding that cannot be granted and expended in a single year that these funds be appropriated to the Historic Preservation Special Fund so that they remain available until expended for the purposes of this bill.

The Department recommends that House Bill 1508, House Draft 1, SECTION 4 be amended as follows:

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2023-2024 and the same sum or so much thereof as may be necessary for fiscal year 2024-2025 for the repatriation and reburials of Native Hawaiians nationally and internationally. <u>These funds shall be deposited in the Historic</u> <u>Preservation Special Fund and shall remain available until expended for the purposes of this Act.</u> The sums appropriated shall be expended by the department of land and natural resources as grants to <u>federal tax-exempt nonprofit organizations</u> for the purposes of this Act.

(a) <u>There is established in a state historic preservation division a single administrative position to</u> <u>administer these funds; and</u>

(b) the sum of \$ is appropriated to fund this position.

Mahalo for the opportunity to provide testimony in support of this measure.



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov JOSH GREEN, M.D. GOVERNOR

CHRIS J. SADAYASU

DANE K. WICKER DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of CHRIS J. SADAYASU Director Department of Business, Economic Development, and Tourism before the SENATE COMMITTEE ON HAWAIIAN AFFAIRS

> Tuesday, March 14, 2023 1:00 PM State Capitol, Conference Room 224

In consideration of HB1508, HD1 RELATING TO NATIVE HAWAIIAN AFFAIRS.

Chair Shimabukuro, Vice Chair Fevella and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) <u>supports</u> HB1508, HD1 which appropriates funds to certain departments to improve Native Hawaiian communities and culture through various assistance services.

DBEDT is tasked with managing non-profit contractors to provide support for the following projects: a virtual marketplace and an innovation center.

A virtual marketplace would support local artisans and businesses to adapt to ecommerce. DBEDT has an active e-commerce support program so this initiative aligns with our current efforts.

An innovation center that is a physical co-working space and an innovation, entrepreneur and resource center providing workshops, counseling, loan assistance, and broadband access also aligns with DBEDT's mission and current programs.

Thank you for the opportunity to testify.



March 14, 2023 1:00 PM Room 224 & Videoconference

The Council for Native Hawaiian Advancement (CNHA) **<u>STRONGLY SUPPORTS</u>** HB1508 HD1, which proposes much-needed additional state funding to support the Native Hawaiian community.

CNHA greatly appreciates the Legislature's willingness to consider new buckets of state funding that would supplement existing state funding opportunities for Native Hawaiian organizations with demonstrated track records of success. The council's goal is to empower Native Hawaiian and local communities through the investment in our state's economy and unique heritage, with an eye towards setting critical foundations that can sustain and build upon hard-fought progress. The new funding source proposed in HB1508 HD1 would go a long way to advancing our community empowerment goal.

CNHA notes that we prefer using the procurement approach proposed by the Attorney General's Office in its written testimony instead of the grants method initially found in the first draft of HB1508, as well as in the first draft of the Senate companion, SB1609. HB1508 HD1 was amended to replace the initial grants method with the preferred procurement method, and we support the HD1 funding approach.

In closing, CNHA urges the Committee to pass HB1508 HD1. Mahalo nui loa for the opportunity to provide testimony on this measure.

Respectfully,

J. kuhiō Lewis, CEO Council for Native Hawaiian Advancement

About the Council for Native Hawaiian Advancement

The Council for Native Hawaiian Advancement (CNHA) is a member-based 501(c)3 non-profit organization with a mission to enhance the cultural, economic, political, and community development of Native Hawaiians. Headquartered in Kapolei, CNHA is a Native Community Development Financial Institution (CDFI) certified by the U.S. Treasury department and a HUD-Certified Housing Counseling agency. CNHA provides access to capital, financial education and individualized financial counseling services with a focus on low and moderate-income families. CNHA serves as a National Intermediary, providing grants and loans targeting underserved communities in Hawai'i. For more information, visit www.hawaiiancouncil.org.

March 13, 2023

Committee on Hawaiian Affairs Senator Maile Shimabukuro, Chair Senator Kurt Fevella, Vice Chair



Working together for Kapolei

Tuesday, March 14, 2023 1:00 p.m. Conference Room 224 and via Videoconference

RE: SB 1508 HD1 Relating to Hawaiian Affairs

Dear Chair Shimabukuro, Vice Chair Fevella and members of the Committee,

My name is Kiran Polk, and I am the Executive Director of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region which includes Waipahu, `Ewa Beach, Kapolei, Nānākuli, Waianae and Mākaha. The Chamber works on behalf of its members and the entire business community to improve the regional and State economic climate and help Kapolei businesses thrive. We are a member- driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber of Commerce, <u>strongly supports HB 1508</u> which requires certain departments and agencies to provide grants to tax-exempt non-profit organizations that have experience and expertise in supporting and advancing Native Hawaiian communities. Specifically, we extend our support for Section 2 (1)(B) which appropriates the sum of \$1,000,000 for an entrepreneur center that is a physical co—working space and an entrepreneur and resource center that provides workshops, counseling, loan assistance, and broadband access. A priority of the Kapolei Chamber and the Business Revitalization Task Force of West O'ahu is to establish a West O'ahu Innovation and Entrepreneur Center.

The West O'ahu Innovation and Entrepreneur Center is a partnership between the Council for Native Hawaiian Advancement (CNHA) and the Kapolei Chamber of Commerce (KCC) to create a co-working space and Innovation Center.

The Wai'anae Coast in West O'ahu, has the largest resident population of Native Hawaiians in the world and a higher rate of poverty then the rest of Honolulu County. Nevertheless, there is incredible growth in West O'ahu. According to the 2020 Census, the West O'ahu Council District grew 20.7 % since the last census (2010). The region expects 80,000 new housing units by 2025. This includes homes, businesses, and infrastructure. Yet, most residents still commute an average of two hours each day into town for work. During the pandemic, despite economic turmoil, the region continued to experience economic growth and housing development. **CNHA's online marketplace** *Pop-Up Mākeke*, serves over 400 businesses with millions of dollars in revenue since its inception. Hundreds of the businesses in the Mākeke are from the west side. Even though we are a burgeoning community – we lack the most critical infrastructure, connectivity, and business resources.

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707

The Innovation Center itself is an innovation because **currently, there are no co-working spaces anywhere in West O`ahu.** Our vision is that the Center will be a place where small and micro business entrepreneurs will access free or discounted co-working space, where ideas, networking and innovation can flourish. Business professionals can nurture industry using Center resources including Wi-Fi, "BIZ Workshops" (business training), counseling services, mentoring, inspirational "BIZ Talks" (an innovation), computers, office machines and networking opportunities. It will be a collaborative space, a meeting space, and even an event space, something that is also a rare commodity in West Oʻahu. It is a unique approach to deliver long-term economic recovery, growth, and resilience to the Native Hawaiian community.

The West O`ahu Innovation and Entrepreneur Center **will be a public and private partnership**. Monetary contributions are also being sought from private foundations and donors in addition to public funding and grants. The intention is to lease space in a location in the Kapolei area that is already built and has basic infrastructure already in place. The improvements would likely include electrical installations, internet cables, cabinetry and/or the installation of a kitchenette or bathroom. In-kind donations could include furniture, computer equipment, printers, Wi-Fi service, website maintenance and social media management.

The Innovation Center will utilize all funds received to stabilize operations during the first two years. If funds are available, the Center would like to subsidize memberships or offer discounted memberships to underserved community members.

After the initial two-year period, a professional management company (like the Hub Networking, BoxJelly or Regus) would be hired to manage the day-to-day operations of the Center. The partnership between CNHA, the KCC and the management company would be responsible for ensuring that the Center becomes self-sustaining and profitable.

By leveraging the expertise of our established business community to encourage networking and sharing and providing the physical space and tools to get started, we are creating an environment that supports and inspires our citizens in our Native Hawaiian and West O`ahu community to achieve success. **Overall, the West O`ahu Innovation and Entrepreneur Center will aid businesses to innovate, stabilize and expand as we navigate through the pandemic and beyond.**

Thank you for this opportunity to provide testimony.

Respectfully,

all

Kiran Polk Executive Director Kapolei Chamber of Commerce

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707



March 14, 2023	1:00 PM	Room 224
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The Office of Hawaiian Affairs (OHA) offers the following <u>COMMENTS</u> on HB1508 HD1, which would appropriate moneys to the Department of Business, Economic Development, and Tourism (DBEDT) and the Department of Land and Natural Resources (DLNR) to improve Native Hawaiian communities and culture through various assistance services. OHA emphasizes that the scope of this measure's funding purpose falls within the purview of OHA, which is the more appropriate agency to advance the purposes of Sections 2, 3, and 4 of this measure. <u>OHA expresses these comments as the principal public agency in</u> the State responsible for the performance, development, and coordination of programs and activities relating to Native Hawaiians and asks the Legislature to name OHA as the appropriate agency to carry out the purposes listed in Sections 2, 3, and 4 of this measure.¹

OHA acknowledges that the State of Hawai'i, its branches of government, its agencies, and subdivisions have an extra duty of care to the Native Hawaiian people as one of the conditions for Hawai'i's admission into the Union.² For this reason, OHA supports funding opportunities through various bodies of governance to improve Native Hawaiian communities. Be that as it may, OHA is the more appropriate agency to advance the purposes of Section 2 and 3 of this measure. Accordingly, through this measure, the Legislature proposes funding for programs and services that OHA has played a significant role in initially developing. OHA provides this comment in light of the Legislature's cap on OHA's pro rata share of the Public Land Trust revenues, which sorely limits OHA's capacity to adequately address the needs of the Native Hawaiian people through the advancement of OHA's constitutional and statutory obligations.³

I. <u>OHA Is the Most Appropriate State Agency to Develop a Virtual Marketplace for the</u> <u>Purpose of Improving Native Hawaiian Communities and Culture</u>

On December 23, 2017, OHA hosted the first Pop-Up Holiday Mākeke (Marketplace), which provided a rare venue for Native Hawaiian artisans, entrepreneurs, and small businesses.⁴ OHA would continue to provide this service through 2019, just prior to the outset of the COVID-19 pandemic.⁵ Subsequently thereafter, the Council for Native

¹ HRS **∫**10-3.

² Pub. L. 86-3, 73 Stat. 4; Hawai'i Admissions Act of 1959.

³ Haw. Stat. Con. Art. XII, Sections 4-6 (1978); Haw. Rev. Stat. *§*10-3.

⁴ Pop-Up Mākeke (Marketplace) Flyer available at: https://www.oha.org/2017makeke.

⁵ Third Annual Pop-Up Mākeke (Marketplace) Flyer, available at: https://www.oha.org/news/calling-all-



Hawaiian Advancement (CNHA) continued and expanded upon the kuleana of the Pop-Up Mākeke. With adequate funding, OHA can and should be the appropriate State agency to provide a virtual marketplace that supports local artisans and businesses to adapt to e-commerce for the purpose of improving Native Hawaiian communities and culture.

II. <u>OHA Is the Most Appropriate State Agency to Establish a Physical Economic</u> <u>Development Space for the Purpose of Improving Native Hawaiian Communities and</u> <u>Culture</u>

For well-over a decade, OHA has focused its attention on uplifting and elevating Native Hawaiians from economic disparities. OHA's 2010-2018 strategic plan focused, in part, on Native Hawaiian economic self-sufficiency.⁶ OHA's 2020-2035 strategic plan focuses, in part, on Native Hawaiian economic stability with two primary strategies:

- 1) To advance policies, programs and practices that strengthen 'ohana's ability to pursue multiple pathways toward economic stability; and
- 2) To cultivate economic development in and for Native Hawaiian communities.⁷

For the past 22 years, OHA has provided over \$143 million in grants to improve Native Hawaiian communities and culture with OHA's pro rata portion of the Public Land Trust revenues currently being dedicated to directly funding OHA grants and sponsorships.⁸ With additional funding, OHA can continue to expand these programs and services to improve Native Hawaiian communities and culture.

Furthermore, OHA owns and operates the Nā Lama Kukui Lifestyle & Design Center, a 44,000 square-foot space located in Iwilei that provides office, retail, warehouse, and storage space for a number of commercial entities.⁹ OHA is also headquartered at this location. Nā Lama Kukui, in combination with OHA's Hakuone in Kaka'ako, which includes two parcels located adjacent to the Kaka'ako Innovation Block, where the Entrepreneurs Sandbox is located, provide options for "a physical co-working space and an innovation, entrepreneur, and resource center that provides workshops, counseling, loan assistance, and

shoppers-for-oha%CA%BBs-third-annual-pop-up-holiday-makeke/.

⁶ OHA 2010-2018 Strategic Plan, available at: https://www.oha.org/strategicplan/2018.

⁷ OHA 2020-2035 Strategic Plan, available at: https://www.oha.org/strategicplan/.

⁸ 2022 OHA Annual Report, available at: https://www.oha.org/2022-annual-report/.

⁹ Nā Lama Kukui, available at: https://www.oha.org/aina/commercial-property/nlk.



broadband access." Again, with adequate funding, OHA can and should be the appropriate State agency to provide this physical economic development space for the purpose of improving Native Hawaiian communities and culture.

III. <u>OHA Is the Most Appropriate State Agency to Effectuate Repatriation and</u> <u>Reinterment of Native Hawaiians Nationally and Internationally</u>

OHA has served in a critical role as the primary governing body to advocate for the repatriation and reinternment of iwi kūpuna (Native Hawaiian resting ancestors), moepū (the funerary possession of resting ancestors), and mea kapu (sacred objects). OHA has even dedicated grant funding for the repatriation and reinternment of these immensely important Native Hawaiian cultural resources, which includes \$167,298, a portion of which will go toward providing education in communities throughout the State to empower Native Hawaiians to protect and care for iwi, while also providing training on the proper treatment of iwi.¹⁰

Since the establishment of the Native American Graves Protection and Repatriation Act of 1990, OHA has been involved with over 125 domestic and international repatriations. OHA has built reputable relationships with the U.S. Department of State and the U.S. Department of the Interior to strengthen its efforts with domestic repatriation, while also building upon its relationships with respective U.S. Embassies and Consulates that are integral to international repatriations.

OHA is dedicated to the kuleana of effectively preserving and protecting these precious cultural resources, which is reflected in OHA's strategic plan, wherein it expresses that OHA will advance policies, programs, and practices that strengthen Native Hawaiian well-being, including physical, spiritual, mental, and emotional health;¹¹ to ensure that communities are empowered to take care of iwi kūpuna.¹² For those iwi kūpuna outside of the State of Hawaii, who were taken without their consent by foreigners, OHA through its network of beneficiary practitioners has the federal standing and experience to effectuate national and international efforts. **With adequate funding, OHA can continue its work in**

¹⁰ OHA, *Hawaiian delegation to bring home 58 iwi kūpuna from Germany and Austria*, available at: https://www.oha.org/news/hawaiian-delegation-to-bring-home-58-iwi-kupuna-from-germany-austria/.

¹¹ OHA 2020-2035 Strategic Plan, Health Outcomes, Strategy 3, available at: https://www.oha.org/strategicplan/.
¹² OHA 2020-2035 Strategic Plan, Health Outcomes, Strategy 3.4, available at: https://www.oha.org/strategicplan/.



this critical area and should be the appropriate State agency to continue to effectuate the repatriation and reinternment of Native Hawaiians nationally and internationally.

Finally, in addition to OHA's statutory purpose to serve as the principal public agency in the State responsible for the performance, development, and coordination of programs and activities relating to Native Hawaiians,¹³ Hawai'i Revised Statutes $\int 10-3(5)$ tasks OHA with the purpose of applying for, receiving, and disbursing, grants and donations from all sources for Native Hawaiian programs and services."¹⁴

OHA takes care to note that tasking other State agencies with developing programs and services for Native Hawaiians that are within OHA's purview and mandate would be an erosion of OHA's constitutional obligations and statutory purpose. <u>For these reasons, OHA</u> <u>asks the Legislature to further support OHA's mission and kuleana, for the betterment of</u> <u>conditions of Native Hawaiians, by naming OHA, instead of DBEDT and DLNR, as the</u> <u>appropriate agency to fulfill the purposes listed in Sections 2, 3, and 4 of this measure.</u>

OHA appreciates the opportunity to provide comments on this measure and is grateful for the continued support of the Legislature. OHA asks that the Legislature to <u>accept</u> <u>our comments and recommendations to align HB1508 HD1 with the State's statutory</u> <u>provisions.</u> Mahalo nui loa.

¹³ HRS **∫**10-3.

¹⁴ Haw. Rev. Stat. *§*10-3(5)

HB-1508-HD-1 Submitted on: 3/10/2023 9:20:04 PM Testimony for HWN on 3/14/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dana Keawe	Individual	Support	Written Testimony Only

Comments:

Support

HB-1508-HD-1

Submitted on: 3/11/2023 4:39:01 PM Testimony for HWN on 3/14/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, SUPPORT/COMMENT THAT THE VENDOR PHYCIALLY RESIDE IN THE COMMUNITY, PERMIT/LICENSE NON-TRANSFERABLE - CRIMINAL VIOLATION, VIOLATON TO BE HIRED BY AN OUTSIDE VENDOR TO DO BUSINESS IN THE COMMUNITY. THE INTENT OF THIS MEASURE IS TO AGAIN HELP THE NATIVE HAWAIIAN PEOPLE INVEST IN THEMSELVES SO THEY CAN BECOME PRODUCTIVE MEMBERS OF SOCIETY.

HB-1508-HD-1 Submitted on: 3/12/2023 11:04:24 AM Testimony for HWN on 3/14/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yoshito L'Hote	Individual	Support	Written Testimony Only

Comments:

Hawaiians have long been under served and need all the help they can get.

Center for Hawaiian Sovereignty Studies 46-255 Kahuhipa St. Suite 1205 Kane'ohe, HI 96744 (808) 247-7942 Kenneth R. Conklin, Ph.D. Executive Director e-mail <u>Ken_Conklin@yahoo.com</u> Unity, Equality, Aloha for all



To: SENATE COMMITTEE ON HAWAIIAN AFFAIRS

For hearing Tuesday March 14, 2023

Re: HB1508, HD1 RELATING TO NATIVE HAWAIIAN AFFAIRS. Appropriates funds to certain departments to improve Native Hawaiian communities and culture through various assistance services. Effective 6/30/3000. (HD1)

TESTIMONY IN OPPOSITION

"The purpose of this Act is to appropriate moneys to the department of business, economic development, and tourism and the department of land and natural resources to improve Native Hawaiian communities and culture through various assistance services, including but not limited to services that offer Native Hawaiian historic preservation, business training, entrepreneurship, and mentoring."

1. That paragraph describing the purpose of this bill is clearly and explicitly racist, because it excludes other ethnic/racial groups from receiving the same support for the same purposes of improving their

communities and cultures through the same very helpful and valuable assistance services. It's astonishing but apparently quite usual for such legislation to be so blatantly racist -- is nobody embarrassed, at least a little bit, to even offer such legislation, let alone to vote in favor of it?

2. Hawaii has an Office of Hawaiian Affairs whose whole purpose is "the betterment of Native Hawaiians", which would certainly include "services that offer Native Hawaiian historic preservation, business training, entrepreneurship, and mentoring." According to OHA's most recent annual report: As of June 30, 2022, OHA's assets were 823 Million dollars. And OHA receives more than a million dollars per week additional, taken from new revenues received by the State of Hawaii from the leasing of our government lands. That's a huge cash stash, growing by leaps and bounds every year, set aside exclusively for members of one racial group, diverted from other purposes which would serve all Hawaii's people (including ethnic Hawaiians) regardless of race. OHA is by far the wealthiest agency in the state government, since other agencies are not allowed to carry forward a huge cash stash year after year after year. Make OHA pay for the race-specific purposes described in this bill.