JOSH GREEN, M.D. GOVERNOR STATE OF HAWAII Ke Kia 'äina o ka Moku 'äina 'o Havai'i

SYLVIA J. LUKE LT. GOVERNOR STATE OF HAWAII Ka Hope Kia'āina o ka Moku'āina 'o Hawai'i



KALI WATSON CHAIRMAN, HHC

KATIE L. DUCATT DEPUTY TO THE CHAIRMAN Ka Hope Luna Hoʻokele

## STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

Ka 'Oihana 'Āina Ho 'opulapula Hawai 'i P. O. BOX 1879 HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS
HEARING ON JANUARY 30, 2024 AT 1:00PM IN CR 224

### SB 2921, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

January 30, 2024

Aloha Chair Shimabukuro, Vice Chair Fevella, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) strongly supports this bill which 1) amends the appropriation of Act 279, SLH 2022, to conform its lapsing provision by 1 year, to conform to constitutional limitations, 2) appropriates moneys to the DHHL for fiscal year 2024-2025 to give practical effect to the legislative intent behind Act 279 and 3) declares that the general fund expenditure ceiling will be exceeded. This bill would ensure that the \$600,000,000 appropriated to DHHL in Act 279, Session laws of Hawaii 2022, is available for expenditure until June 30, 2025.

The Hawaii State Office of the Attorney General confirmed that Act 279 authorization is until June 30, 2024. If funds will still need to be encumbered, the Act would lapse and reappropriate funds to June 30, 2025, in line with the legislative intent. SB2921 accomplishes this objective. This bill was approved by the Hawaiian Homes Commission and included in the Governor's administrative package by request of our Department.

Thank you for your consideration of our testimony.

JOSH GREEN, M.D.

SYLVIA LUKE LIEUTENANT GOVERNOR

OFFICE OF THE PUBLIC DEFENDER

EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OF HAMA

LUIS P. SALAVERIA

SABRINA NASIR DEPUTY DIRECTOR

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION

OFFICE OF FEDERAL AWARDS MANAGEMENT

## STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE

Ka 'Oihana Mālama Mo'ohelu a Kālā P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

### WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS
ON
SENATE BILL NO. 2921

January 30, 2024 1:00 p.m. Room 224 and Videoconference

### RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill (S.B.) No. 2921: 1) sets a lapse date of June 30, 2024, for unexpended or unencumbered general funds authorized by Act 279, SLH 2022 (Act 279); 2) declares that the FY 25 general fund expenditure ceiling will be exceeded by an undetermined amount; and 3) appropriates an unspecified sum of general funds for FY 25 to carry out the purposes of Act 279.

While B&F supports the intent of Act 279 to reduce the number of applicants on the Department of Hawaiian Home Lands waitlist, the current extended lapse date of June 30, 2025, in Act 279 exceeds the limit on general fund appropriations set by Section 11 of Article VII of the Constitution of the State of Hawai'i. S.B. No. 2921 amends the lapse date to June 30, 2024, to align the appropriation with the constitutional time limits on appropriations.

Thank you for your consideration of our comments.

## LEGISLATIVE TAX BILL SERVICE

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Technical Correction to \$600 Million 2022 DHHL Appropriation

BILL NUMBER: SB 2921, HB 2076

INTRODUCED BY: SB by KEOHOKALOLE, CHANG, FUKUNAGA, MORIWAKI, SAN BUENAVENTURA, Kidani, HB by HOLT, AIU, COCHRAN, GANADEN, GATES, HUSSEY-BURDICK, ILAGAN, KAHALOA, LOWEN, MARTEN, MORIKAWA, PERRUSO, POEPOE, QUINLAN, SOUZA, TARNAS, WARD, WOODSON

EXECUTIVE SUMMARY: Amends the appropriation of Act 279, SLH 2022, to conform its lapsing provision by 1 year, to conform to constitutional limitations. Appropriates moneys to the Department of Hawaiian Home Lands for fiscal year 2024-2025 to give practical effect to the legislative intent behind Act 279.

SYNOPSIS: Makes technical changes to Act 279, SLH 2022, to conform with the original intent that the \$600 million appropriated to the Department of Hawaiian Home Lands not lapse until June 30, 2025.

EFFECTIVE DATE: June 29, 2024.

STAFF COMMENTS: The Foundation recognizes this bill as a technical fix to conform to the original intent of the bill without running afoul of limitations in the Hawaii Constitution.

Digested: 1/27/2024

<u>SB-2921</u> Submitted on: 1/29/2024 3:36:45 PM

Testimony for HWN on 1/30/2024 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
De MONT Kalai Manaole	Testifying for Ho'omana Pono, LLC	Support	In Person

### Comments:

We STRONGLY SUPPORT this bill to allow a more reasonable time frame in which DHHL is charged to spend the \$600 Million.

<u>SB-2921</u> Submitted on: 1/28/2024 4:17:00 PM Testimony for HWN on 1/30/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Kenneth Faborito	Individual	Support	Written Testimony Only

Comments:

strong support

<u>SB-2921</u> Submitted on: 1/29/2024 9:13:00 AM Testimony for HWN on 1/30/2024 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Leimomi Khan	Individual	Support	Written Testimony Only

Comments:

Support.