CONFERENCE COMMITTEE REP. NO. 216 -26

Honolulu, Hawaii

MAY 1 2026

RE: S.B. No. 903
S.D. 2
H.D. 2
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 903, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

(1) Amend the membership and responsibilities of the Public Land Trust Working Group established under Act 226, Session Laws of Hawaii 2022;

(2) Require the Working Group to submit four reports to the Legislature:

(A) By August 1, 2026, a first interim report regarding the public land trust inventory;

(B) By December 1, 2026, a second interim report regarding Act 178, Session Laws of Hawaii 2006, financial reporting and accounting;

(C) By June 1, 2027, a preliminary draft settlement of the income and proceeds from the Office of Hawaiian Affairs' pro rata portion of the public land trust; and

(D) By October 1, 2027, a final report that includes a final draft settlement;

(3) Require the State, Office of Hawaiian Affairs, and other applicable parties to begin preliminary negotiations regarding the final draft settlement by October 1, 2027; and

(4) Appropriate funds for the Legislative Reference Bureau to retain independent third-party professionals for the Working Group and require matching funds from the Office of Hawaiian Affairs.

Your Committee on Conference finds that the State, having certain trust obligations to native Hawaiians, must have appropriate systems in place to accurately identify and calculate revenues from the public land trust for the purpose of settlement valuation between the State and the Office of Hawaiian Affairs. Your Committee on Conference further finds that establishing a starting date for preliminary negotiations between the appropriate entities and providing additional resources and reporting requirements for the existing Public Land Trust Working Group is necessary to properly ensure that any settlement between the State and the Office of Hawaiian Affairs is correct and just.

Your Committee on Conference has amended this measure by:

(1) Amending the membership and responsibilities of the Public Land Trust Working Group established under Act 226, Session Laws of Hawaii 2022 (Working Group);

(2) Requiring the Working Group to submit the following to the Legislature: by August 1, 2027, a first interim report regarding Act 178, Session Laws of Hawaii 2006 (Act 178), financial reporting and accounting; by December 1, 2027, a second interim report regarding the public land trust inventory; by June 1, 2028, a third interim report that

includes a preliminary draft of the findings and recommendations regarding Act 178 financial reporting and accounting and the public land trust inventory; and by October 1, 2028, a final report that includes proposed legislation;

(3) By December 31, 2028, requiring the Office of Hawaiian Affairs to submit certain findings and considerations to the Legislature;

(4) Requiring the Office of Hawaiian Affairs to provide administrative support to the Working Group in coordination with a third-party consultant;

(5) Appropriating funds from the Carry-Forward Trust Holding Account to be transferred to the Office of Hawaiian Affairs to be expended solely for Native Hawaiian programs and services with critical, short-term funding needs in the areas of education, health, economic development, and community-based initiatives;

(6) Specifying that the transferred funds may not be used for planning, developing, or constructing residential or mixed-use projects or related infrastructure;

(7) Inserting legislative findings to reflect its amended purpose;

(8) Making it effective upon its approval; and

(9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 903, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 903, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

of the managers:

ON THE PART OF THE HOUSE

DAVID A. TARNAS
Co-Chair

SUE L. KEOHOKAPU-LEE LOY
Co-Chair

ON THE PART OF THE SENATE

HERBERT M. RICHARDS, III
Chair

SHARON MORIWAKI
Co-Chair

**Hawai'i State Legislature**

## Record of Votes of a Conference Committee

CCR 216-26

| Bill / Concurrent Resolution No.: **SB 903, SD 2, HD 2** | Date/Time: 5/1/26 4:10 p |
|---|---|

☒ The recommendation of the House and Senate managers is to pass with amendments (CD).

☐ The Committee is reconsidering its previous decision.

☐ The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

☐ The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

| Senate Managers | A | WR | N | E |
|---|---|---|---|---|
| RICHARDS, III, Herbert M. "Tim", Chr. | X | | | |
| MORIWAKI, Sharon Y., Co-Chr. | X | | | |
| DECORTE, Samantha | X | | | |
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| TOTAL | 3 | Ø | Ø | Ø |

| House Managers | A | WR | N | E |
|---|---|---|---|---|
| TARNAS, David A., Co-Chr. | X | | | |
| KEOHOKAPU-LEE LOY, Sue L., Co-Chr. | X | | | |
| KAHALOA, Kirstin | X | | | |
| GARCIA, Diamond | | | | X |
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| TOTAL | 3 | Ø | Ø | 1 |

**A** = Aye **WR** = Aye with Reservations **N** = Nay **E** = Excused

Senate Recommendation is: ☒ Adopted ☐ Not Adopted

House Recommendation is: ☒ Adopted ☐ Not Adopted

Senate Lead Chair's or Designee's Signature: Herbert M. Richards III

House Lead Chair's or Designee's Signature: David A. Tarnas

**Distribution:** **~~Original~~** *File with Conference Committee Report* **Yellow** *House Clerk's Office* **Pink** *Senate Clerk's Office* **Goldenrod** *Drafting Agency*