
A BILL FOR AN ACT

RELATING TO THE HAWAII LEGACY TRUST FUND.

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

1 SECTION 1. The purpose of this Act is to establish the
2 Hawaii legacy trust fund as a means to encourage people to make
3 strong financial investments while supporting conservation,
4 reforestation of Hawaii's native trees, environmental
5 stewardship, sustainable food and energy production, affordable
6 housing, public education, and programs that support and benefit
7 keiki and kupuna. The fund will serve as a repository for
8 federal and state funds, as well as private contributions from
9 corporations and other businesses, foundations, individuals, and
10 other interested parties. The fund will be used to purchase
11 individual or lots of Hawaiian hardwood trees that will be grown
12 on private or publicly owned land. The legislature's intent is
13 for the Hawaiian hardwood trees to be used for investment
14 purposes by the State of Hawaii, individual residents of Hawaii,
15 and other individuals and organizations who are interested in
16 financial health, conservation, reforestation, environmental
17 stewardship, sustainable food and energy production, affordable



1 housing, public education, and the well-being of the State's
2 keiki and kupuna.

3 SECTION 2. The Hawaii Revised Statutes is amended by
4 adding a new chapter to be appropriately designated and to read
5 as follows:

6 "CHAPTER

7 HAWAII LEGACY TRUST FUND

8 § -1 Definitions. As used in this chapter:

9 "Board" means the Hawaii legacy trust fund advisory board.

10 "Coalition" means the Hawaii legacy trust fund coalition.

11 "Trust fund" or "fund" means the Hawaii legacy trust fund.

12 § -2 Creation of the Hawaii legacy trust fund. (a)

13 There is established the Hawaii legacy trust fund as a separate
14 fund of the Hawaii Community Foundation, a Hawaii nonprofit
15 corporation. Moneys received from the state, county, or federal
16 government, income tax remittances allocated under section
17 235-102.5, private contributions of cash and other property, and
18 the income and capital gains earned by the fund shall constitute
19 the trust fund assets.

20 (b) The Hawaii Community Foundation shall have the sole
21 responsibility for the administration and expenditure of moneys
22 from the trust fund for the purposes of this chapter.



1 (c) The purpose of the trust fund is to encourage people
2 to make strong financial investments while supporting
3 conservation efforts, the reforestation of Hawaii's native
4 trees, environmental stewardship, sustainable food and energy
5 production, affordable housing, public education, and programs
6 that support and benefit the State's keiki and kupuna.

7 (d) The fund may receive contributions, grants, or gifts
8 in cash or otherwise from all sources. The legislature intends
9 that the public and private sectors work together as partners in
10 securing contributions for the fund. The State may donate
11 moneys to the trust fund by legislative appropriation.

12 (e) There shall be an endowment component of the Hawaii
13 legacy trust fund.

14 (f) The aggregate principal sum deposited in the Hawaii
15 legacy trust fund, and any income and capital gains earned by
16 the trust fund but not expended for grantmaking or
17 administration, shall be invested in accordance with the
18 provisions of the Hawaii Community Foundation in a manner
19 intended to maximize the rate of return on investment of the
20 trust fund consistent with the objective of preserving the trust
21 fund's principal.



1 (g) The department of land and natural resources shall
2 serve as the lead agency for the public sector and, in
3 conjunction with the Hawaii Community Foundation, may provide
4 staffing for the board and the coalition.

5 (h) The Hawaii Community Foundation shall submit to the
6 department of land and natural resources a copy of any annual
7 audit that is conducted by a third party on the Hawaii Community
8 Foundation no later than thirty days from the date the Hawaii
9 Community Foundation receives the results of its annual audit.
10 The Hawaii Community Foundation shall retain for three years all
11 documents, papers, books, records, and other material pertinent
12 to the fund and audit. The Hawaii Community Foundation shall
13 permit the department of land and natural resources, the
14 department of accounting and general services, the legislature,
15 and the auditor, or their authorized representatives, to inspect
16 and have access to any of these materials.

17 (i) In the event of the termination of the trust fund or
18 the dissolution of the Hawaii Community Foundation, the unspent
19 appropriations made by the State, if any, shall revert back to
20 the general fund of the State. Any other amounts remaining in
21 the Hawaii legacy trust fund shall be distributed at the
22 recommendation of the board.



1 § -3 **Receipt of funds.** The fund may accept
2 contributions, grants, or gifts from corporations or other
3 businesses, foundations, government, individuals, and other
4 interested parties.

5 § -4 **Hawaii legacy trust fund advisory board.** (a)
6 There shall be a Hawaii legacy trust fund advisory board, which
7 shall make the final recommendations to the Hawaii Community
8 Foundation for the expenditure of funds for the following
9 activities:

- 10 (1) Grantmaking to raise community awareness of the trust
11 fund;
- 12 (2) Allocation of funds for sustainable forestry
13 operations;
- 14 (3) Allocation of funds for sustainable energy production;
- 15 (4) Allocation of funds for sustainable food production;
- 16 (5) Allocation of funds for affordable housing;
- 17 (6) Allocation of funds for the benefit of public
18 education;
- 19 (7) Allocation of funds for programs that support and
20 benefit the State's keiki;
- 21 (8) Allocation of funds for programs that support and
22 benefit the State's kupuna; and



1 (9) Administration of the trust fund.

2 (b) The board shall consist of five members who shall be
3 appointed in the manner and serve for the term set forth in
4 section 26-34 as follows:

5 (1) One member shall be selected by the Hawaii Community
6 Foundation;

7 (2) One member shall be a representative of a well-
8 established service organization organized in the
9 State;

10 (3) One member shall be a reputable arborist or other
11 professional who is educated and experienced in the
12 growth and care of trees;

13 (4) One member shall have experience in forest finance or
14 managing a trust fund; and

15 (5) The chairperson of the board of land and natural
16 resources, who shall serve as an ex officio voting
17 member.

18 (c) Any action taken by the commission shall be by a
19 simple majority of its members. Three members of the commission
20 shall constitute a quorum.

21 § -5 Hawaii legacy trust fund coalition. There shall be
22 a Hawaii legacy trust fund coalition which, through its advisory



1 committee, shall develop policy, planning, and strategy for the
 2 fund; publicize the fund; and solicit public and private moneys
 3 for the fund. The coalition shall serve as a forum for
 4 addressing responsible financial investment, conservation
 5 efforts, environmental stewardship, sustainable food and energy
 6 production, and issues related to affordable housing, public
 7 education, keiki, and kupuna. Membership in the coalition shall
 8 be open to any representative of any agency, company, or entity
 9 and any individual committed to conservation, reforestation,
 10 environmental stewardship, sustainability, affordable housing,
 11 public education, or the well-being of Hawaii's keiki and
 12 kupuna."

13 SECTION 3. This Act shall take effect upon its approval.
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INTRODUCED BY:

Karen Auana
Cindy Evans
John M. Mingo

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H.B. NO. 2073

Report Title:

Hawaii Legacy Trust Fund; Department of Land and Natural Resources

Description:

Establishes the Hawaii legacy trust fund as a separate fund of the Hawaii Community Foundation to encourage individuals to make strong financial investments while supporting conservation, reforestation, environmental stewardship, sustainability, affordable housing, public education, and the well-being of the State's keiki and kupuna.

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