

STAND. COM. REP. NO. 1634-12

Honolulu, Hawaii
April 5, 2012

RE: S.B. No. 2790
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2790, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS,"

begs leave to report as follows:

The purpose of this measure is to allow the Department of Hawaiian Home Lands to continue building affordable homes for its beneficiaries by extending the repeal date of the pilot project created by Act 187, Session Laws of Hawaii 2010, that enables the Department to begin housing and other projects without having the full amount of the cost of the projects on hand at the beginning of the project.

The Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, Waianae Kai Homestead Community Association, the Sovereign Mokuuni Council O Molokai, and several individuals supported this measure. Aupuni O Hawaii and an individual opposed this measure.

Your Committee has amended this measure by:

- (1) Repealing the requirement that the Department of Hawaiian Home Lands submit an annual report to the Legislature and the United States Department of the Interior on expenditures from the Native Hawaiian

SB2790 HD1 HSCR FIN HMS 2012-3386



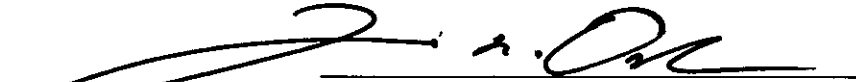
Rehabilitation Fund that are derived from the amounts deposited from commercial and multipurpose project lease extensions;

- (2) Repealing the requirement that the Department of Hawaiian Home Lands deposit 15 percent of all revenues generated from the lease from the time a lease extension is granted into the Native Hawaiian Rehabilitation Fund;
- (3) Adding a provision to the Hawaiian Homes Commission Act that requires the Department of Hawaiian Home Lands to deposit into the Hawaiian Home Administration Account all lease revenues from commercial and multipurpose project leases;
- (4) Repealing the provision in Act 187, Session Laws of Hawaii 2010, that requires the Department of Hawaiian Home Lands to deposit into:
 - (A) The Hawaiian Home Lands Trust Fund all lease revenues collected from commercial and multipurpose project leases; and
 - (B) The Native Hawaiian Rehabilitation Fund 15 percent of all revenues that are derived from the amounts deposited from commercial and multipurpose project lease extensions; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2790, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2790, S.D. 1, H.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



