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## SENATE CONCURRENT RESOLUTION

URGING THE OFFICE OF HAWAIIAN AFFAIRS TO CONDUCT A FINANCIAL REVIEW OF INFORMATION SUBJECT TO THE REPORTING REQUIREMENTS OF SECTION 5 OF ACT 178, SESSION LAWS OF HAWAII 2006.

WHEREAS, the State of Hawaii has fiduciary responsibilities as the trustee of the public land trust established by section 5(f) of the Admission Act; and

WHEREAS, the Hawaii Supreme Court has repeatedly held that the Legislature has a constitutional obligation to clarify the pro rata portion of revenues derived from the public land trust to which the Office of Hawaiian Affairs is entitled for the benefit of Native Hawaiians under article XII, sections 4 and 6, of the Hawaii State Constitution; and

WHEREAS, one of the purposes of Act 178, Session Laws of Hawaii 2006 (Act 178), is to identify revenue-generating public trust lands and the amounts derived from those lands by requiring that the Department of Land and Natural Resources provide an annual accounting to the Legislature; and

WHEREAS, section 5 of Act 178 requires that no later than January 1 of each year, the Department of Land and Natural Resources, with the cooperation of the Department of Budget and Finance and any other state department or agency that uses or manages public lands, shall provide an accounting of all receipts from lands described in section 5(f) of the Admission Act for the prior fiscal year; and

WHEREAS, section 5 of Act 178 also requires that with respect to each receipt, the Department of Land and Natural Resources must identify:

(1) The total gross amount;

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(2) The amount transferred to the Office of Hawaiian Affairs;

- The amount retained by the State; (3)
- (4) The account or fund in which the amount specified in paragraph (3) was transferred or deposited;
- The parcel of land subject to section 5(f) of the (5) Admission Act that generated the receipt, whether by tax map key number, Department of Land and Natural Resources inventory number, or other recognizable description; and
- (6) The state department or agency that received the total gross amount identified in paragraph (1); and

WHEREAS, section 5 of Act 178 also requires that the accounting indicate whether any parcel of land described in section 5(f) of the Admission Act was sold or exchanged in the prior fiscal year and, if so, the amount of consideration that the State received for the respective parcels; and

WHEREAS, section 5 of Act 178 also requires that the Department of Land and Natural Resources consult the Office of Hawaiian Affairs in determining the method in which the accounting must be conducted; and

WHEREAS, pursuant to section 2 of Act 178, the State has transferred \$15,100,000 in public land trust revenues annually to the Office of Hawaiian Affairs; and

WHEREAS, initial research indicates that information may be missing from the reports that state departments currently provide to the Department of Land and Natural Resources pursuant to section 5 of Act 178, which requires an accounting of all revenues from lands described in section 5(f) of the Admission Act; and

WHEREAS, the Department of Land and Natural Resources does not have the statutory authority to verify the completeness or accuracy of the accountings provided by state departments or agencies; and

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WHEREAS, full compliance with section 5 of Act 178, including complete and accurate accounting, is critical to fulfilling the State's trust obligation regarding the public land trust and the Office of Hawaiian Affairs; and

WHEREAS, the Office of Hawaiian Affairs continues to work with the Department of Land and Natural Resources to help ensure the State's compliance with Act 178; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, the House of Representatives concurring, that the Office of Hawaiian Affairs is requested to conduct a financial review of information subject to the reporting requirements of section 5 of Act 178, Session Laws of Hawaii 2006; and

 BE IT FURTHER RESOLVED that the Governor is requested to direct each state department or agency that uses or manages public lands to provide its full cooperation and all relevant data and other information to the Office of Hawaiian Affairs during the planning and implementation of the financial review; and

 BE IT FURTHER RESOLVED that the Governor is requested to further direct each department or agency to respond promptly, and in no event later than thirty days, to any financial review-related request made by the Office of Hawaiian Affairs, including requests for records and other information in the course of the financial review; and

 BE IT FURTHER RESOLVED that the Office of Hawaiian Affairs is requested to submit the findings and recommendations of the financial review that it conducts pursuant to this measure, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Chairperson of the Board of Land and Natural Resources, Director

1	of Finance, and Chairperson of the Board of Trustees of the
2	Office of Hawaiian Affairs.
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