

Honolulu, Hawaii

FEB 15 2013

RE: S.B. No. 10

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Tourism and Hawaiian Affairs and Judiciary and Labor, to which was referred S.B. No. 10 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION,"

beg leave to report as follows:

The purpose and intent of this measure is to allow the Hawaiian Homes Commission and the Department of Hawaiian Home Lands to retain independent legal counsel.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands; West Hawaii Hawaiian Homes Commission; Council for Native Hawaiian Advancement; and three individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General.

Your Committees find that there are circumstances where the interests of the State and the Department of Hawaiian Home Lands may be adversarial and that it is vital and necessary to the Hawaiian Homes Commissions' fiduciary duties to retain independent counsel.

After discussion, your Committees have amended this measure by:

- (1) Inserting language to clarify that independent counsel may be hired to represent the Hawaiian Homes Commission



or the Department of Hawaiian Home Lands when their interests conflict with the State;

- (2) Inserting language to specify that funds paid to legal counsel representing the Hawaiian Homes Commission and the Department of Hawaiian Home Lands come from the State; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Tourism and Hawaiian Affairs and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 10, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 10, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Tourism and
Hawaiian Affairs and Judiciary
and Labor,



CLAYTON HEE, Chair



BRICKWOOD GALUTERIA, Chair



