

NEIL ABERCROMBIE  
GOVERNOR  
STATE OF HAWAII



JOBIE M. K. MASAGATANI  
CHAIRMAN  
HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG  
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879  
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN  
HAWAIIAN HOMES COMMISSION  
BEFORE THE HOUSE COMMITTEE ON FINANCE  
IN SUPPORT OF

**SB 2953 SD 1 HD 2, RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS**

April 1, 2014

Aloha Chair Luke, Vice-Chair Nishimoto, Vice-Chair Johanson, and  
Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) is in strong support of this bill which provides the department funding from geothermal royalties from potential geothermal projects on Hawaiian home lands.

The bill in its current form reflects the substance of the very recent Attorney General opinion that concludes that DHHL is entitled to 100 percent of the royalties received by the State from geothermal developments on Hawaiian home lands. We request that your committee pass this bill in its current form and we ask that in your committee report you include a reference to the Formal Opinion 14-1 (Op. No. 14-1) released by the Department of the Attorney General on March 17, 2014.

DHHL welcomes this source of revenue to support the department's programs including homestead lot development, loans, rehabilitation programs, and administration expenses to support these programs. In consideration of the limited general funds appropriated to the

*Department of Hawaiian Home Lands*  
*SB 2953 SD 1 HD 2*  
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*Page 2*

department and the end of the Act 14 settlement payments, the passage of this measure allows for DHHL to receive royalty payments when geothermal resources are developed on Hawaiian home lands.

Thank you for your consideration of our testimony.

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GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
WILLIAM J. AILA, JR.  
Chairperson**

**Before the House Committee on  
FINANCE**

**Tuesday, April 1, 2014  
2:00 P.M.  
State Capitol, Conference Room 308**

**In consideration of  
SENATE BILL 2953, SENATE DRAFT 1, HOUSE DRAFT 2  
RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS**

Senate Bill 2953, Senate Draft 1, House Draft 2, proposes that if geothermal resources are located on lands under the jurisdiction of the Department of Hawaiian Home Lands (DHHL), one hundred percent of all royalties shall be paid to DHHL. **The Department of Land and Natural Resources (Department) offers the following comments.**

Currently the Department receives 50% of the royalties generated from any geothermal development project<sup>1</sup>, while the County and the Office of Hawaiian Affairs receive the remaining 30% and 20%, respectively. The Department is tasked to manage the resource and its development to protect the health and safety of the public and to ensure the continued viability of this Public Trust Resource for future generations. As such, the Department relies on royalties to fund its geothermal program and needs to maintain its current level of funding in order to carry out its mandated duties.

Thank you for the opportunity to testify on this measure.

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<sup>1</sup> The Department is tasked with regulatory and leasing duties over geothermal energy production for the geothermal resources deemed to be owned by the State of Hawaii.

**WILLIAM J. AILA, JR.**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**JESSE K. SOUKI**  
FIRST DEPUTY

**WILLIAM M. TAM**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS



## **Association of Hawaiian Civic Clubs**

P. O. Box 1135  
Honolulu, Hawai'i 96807

### COMMITTEE ON FINANCE

### **SB2953, SD1, HD2 RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS**

Tuesday, 4/01/14; 2:00 pm; Room 308

Aloha Madam Chair Luke, vice chairs Nishimoto and Johanson and members of the Committee on Finance. I am Soulee Stroud, president of the Association of Hawaiian Civic Clubs here to speak in support of this bill that would allow the Department of Hawaiian Home Lands(DHHL) to keep one hundred percent of the royalties from geothermal resources on land under control of the Department.

As stated by the State Attorney General's opinion of March 17, 2014, the DHHL is entitled to one hundred percent of the royalties from geothermal royalties on all lands controlled by the DHHL. Such royalties and resultant funding would greatly alleviate the long lists of qualified Hawaiians waiting to receive DHHL residential benefits.

We urge the passage of this measure. Mahalo.

Contact: [jalna.keala2@hawaiiantel.net](mailto:jalna.keala2@hawaiiantel.net)

**finance8-Danyl**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 31, 2014 11:13 AM  
**To:** FINTestimony  
**Cc:** kamakane73@gmail.com  
**Subject:** \*Submitted testimony for SB2953 on Apr 1, 2014 14:00PM\*

**SB2953**

Submitted on: 3/31/2014

Testimony for FIN on Apr 1, 2014 14:00PM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kama Hopkins	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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JOBIE M. K. MASAGATANI  
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**LATE**

**STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879  
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN  
HAWAIIAN HOMES COMMISSION  
BEFORE THE HOUSE COMMITTEE ON FINANCE  
IN SUPPORT OF

**SB 2953 SD 1 HD 2, RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS**

April 1, 2014

Aloha Chair Luke, Vice-Chair Nishimoto, Vice-Chair Johanson, and  
Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) is in strong support of this bill which provides the department funding from geothermal royalties from potential geothermal projects on Hawaiian home lands.

The bill in its current form reflects the substance of the very recent Attorney General opinion that concludes that DHHL is entitled to 100 percent of the royalties received by the State from geothermal developments on Hawaiian home lands. We request that your committee pass this bill in its current form, and we ask that, for the purpose of stating legislative intent, you reference in your committee report the Formal Opinion 14-1 (Op. No. 14-1) released by the Department of the Attorney General on March 17, 2014 as the basis for this statutory amendment.

DHHL welcomes this source of revenue to support the department's programs including homestead lot development, loans, rehabilitation programs, and administration expenses to support these programs. In

*Department of Hawaiian Home Lands*  
*SB 2953 SD 1 HD 2*  
*FIN, 4-01-2014*  
*Page 2*

consideration of the limited general funds appropriated to the department and the end of the Act 14 settlement payments, the passage of this measure allows for DHHL to receive royalty payments when geothermal resources are developed on Hawaiian home lands.

Thank you for your consideration of our testimony.



**SB2953 SD1 HD2**  
**RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS**  
House Committee on Finance

April 1, 2014

2:00 p.m.

Room 308

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on SB2953 SD1 HD2, which would require that for geothermal resources located on lands under the jurisdiction of the Department of Hawaiian Home Lands (DHHL), 100 percent of all geothermal mining royalties received by the state shall be paid to DHHL.

OHA provides millions of dollars each year to support DHHL's activities and appreciates efforts to identify additional sources of funding to enable DHHL to fulfill its mission. The State Attorney General recently rendered an opinion on the management and disposition of geothermal resources on DHHL lands, and OHA is reviewing this opinion. We encourage continued dialogue among stakeholders concerning this matter and look forward to participating.

Mahalo for the opportunity to testify on this bill.





# Indigenous Consultants, LLC

Mililani B. Trask, Principal

P.O.Box 6377 ❖ Hilo, HI 96720

[Mililani.trask@gmail.com](mailto:Mililani.trask@gmail.com)



Bill #: **SB 2953**

Committees: FIN

Hearing Date: Tuesday April 1<sup>st</sup>, 2014

Room: 308

Time: 2:00 pm

**LATE**

Testimony in Support

March 31<sup>st</sup>, 2014

Aloha Legislators,

Indigenous Consultants (IC) is a Hawaii based, indigenous LLC owned and operated by Native Hawaiians. It was created to assist indigenous peoples in developing their renewable energy resources in ways that are: culturally appropriate, environmentally green and sustainable, socially responsible and economically equitable and affordable. For several years the IC has worked with Innovations Development Group in New Zealand and indigenous Maori developing geothermal resources, which are trust assets of Maori Land Trusts. In addition, the IC has acted as a consultant to other indigenous people in Hawaii and Asia who are addressing development of their trust renewable energy resources in ways that; directly benefit their people, bring in revenues, create small business opportunities and ensure fair & affordable rates to consumers, including themselves and their communities.

IC supports the intent of this measure, to include the DHHL in benefits arising from the development of geothermal minerals under their trust lands. IC encourages the Governmental entities that currently share geothermal royalty funds to work collectively to come to an agreement on the best way to maximize benefits to communities that 'host' geothermal development.

Sincerely,

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Mililani B. Trask  
Indigenous Consultants LLC



**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, April 01, 2014 1:30 PM  
**To:** FINTestimony  
**Cc:** dkapua@gmail.com  
**Subject:** Submitted testimony for SB2953 on Apr 1, 2014 14:00PM

**SB2953**

Submitted on: 4/1/2014

Testimony for FIN on Apr 1, 2014 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Kapua Keliikoa-Kamai	Individual	Support	No

Comments: TESTIMONY IN STRONG SUPPORT OF SB 2953 - RELATING TO STATE RESOURCES ON HAWAIIAN HOME LANDS. Aloha Finance Committee Chair Luke and Committee Members, Please pass SB 2953 but, direct sixty percent of all royalties received by the State to be paid to the Department of Hawaiian Home Lands; thus providing a needed source of revenue to support the Department of Hawaiian Home Lands' programs including homestead lot development, loans, and rehabilitation programs, and administration expenses to support these programs. This is a just and fair allocation of compensation. Mahalo for this opportunity to provide testimony. Me ka ha'aha'a, Kapua Keliikoa-Kamai

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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