



**HCR188 HD1**  
**REQUESTING THE ESTABLISHMENT OF A PUBLIC LAND TRUST REVENUES**  
**NEGOTIATING COMMITTEE**  
Senate Committee on Ways and Means

April 21, 2016

9:00 a.m.

Room 211

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The Office of Hawaiian Affairs (OHA) **SUPPORTS** HCR188 HD1, which would request the establishment of a Public Land Trust Revenues Negotiating Committee comprising the President of the Senate, the Speaker of the House of Representatives, the Governor, and the Chairperson of the Office of Hawaiian Affairs, or their designees. If adopted, this concurrent resolution would be the first major step taken in the past ten years to ensure that Native Hawaiians receive a fair annual share of the Public Land Trust.

Hawai'i's constitution provides that a share of Public Land Trust income be used for the "betterment of the conditions of native Hawaiians." Accordingly, state law requires that OHA expend 20% of all funds derived from the Trust.

Unfortunately, for decades, OHA and the state disagreed on how OHA's 20% share should be calculated. In 2006, OHA and the state finally agreed on an interim resolution, by the passage of Act 178, which temporarily set OHA's annual share as \$15.1 million, "until further action is taken by the legislature." Importantly, Act 178 also required individual state agencies to report on their proceeds and revenues from the Public Land Trust; these reports can now be used to better estimate OHA's 20% share.

**Clearly, the temporary, \$15.1 million cap established ten years ago no longer fairly reflects Native Hawaiians' 20% share of the Public Land Trust, and the cap and related issues should be revisited and discussed by the Governor, the Legislature, and OHA.** Such a discussion is necessary for Hawai'i to meaningfully uphold its constitutional, statutory, and moral responsibilities to the Native Hawaiian community. For example, according to the state's own reports, which omit certain revenue streams, the state generated an average of \$158,077,656 annually in Public Land Trust revenues over the past three fiscal years. 20% of this amount is \$31,615,531, more than twice the \$15.1 million received annually by OHA under Act 178.

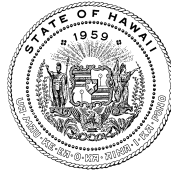
Providing OHA with a fairer share of the Public Land Trust would benefit the Native Hawaiian community as well as the social, economic, environmental, and cultural welfare of our islands. Just this past year alone, OHA provided nearly \$11 million in grants for programs addressing our state's most critical issues, including housing and homelessness, education, environmental stewardship, food security, and healthcare. OHA

also provided more than \$1 million in loans for beneficiary needs ranging from home and auto repairs to legal fees and educational opportunities. Furthermore, OHA manages over 27,000 acres of legacy, conservation, and agricultural lands, in furtherance of the state's environmental, cultural, and food self-sufficiency interests. By taking steps to establish a more fair share of the Public Land Trust revenues due to Native Hawaiians, this resolution will allow OHA to improve its support for Native Hawaiians and, by extension, all those who live in and love Hawai'i nei.

In light of the above, OHA strongly urges the Committee to **PASS** HCR188 HD1.

Mahalo nui loa for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR



WRITTEN ONLY

WESLEY K. MACHIDA  
DIRECTOR

RODERICK K. BECKER  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON WAYS AND MEANS  
ON  
HOUSE CONCURRENT RESOLUTION NO. 188, H.D. 1**

April 21, 2016  
9:00 a.m.

**REQUESTING THE ESTABLISHMENT OF A PUBLIC LAND TRUST REVENUES  
NEGOTIATING COMMITTEE**

House Concurrent Resolution No. 188, H.D. 1, requests establishment of a Public Land Trust Revenues Negotiating Committee to engage in discussions on the matter of the income and proceeds from the public land trust that the Office of Hawaiian Affairs (OHA) should receive annually. This measure also requests that the committee submit a status report of its discussions to the Legislature no later than 20 days prior to the commencement of the 2017 Regular Session and submit a final report of its findings, recommendations, and any proposed legislation to the Legislature no later than 20 days prior to the commencement of the 2018 Regular Session.

The Department of Budget and Finance would like to point out that departments making ceded land payments have informally expressed concerns with respect to the recent report that OHA commissioned on public land trust payments. These concerns relate to the completeness and appropriateness of the conclusions reached in the report including, but not limited to, discrepancies over land parcels that the report identified as public-land trust lands and discrepancies regarding revenues to which OHA is entitled to a pro-rata share.

We strongly recommend that these issues and concerns be taken into consideration.



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Senator Jill N. Tokuda, Chair  
 Senator Donovan M. Dela Cruz, Vice Chair  
 Senate Committee on Ways and Means

Date: Thursday, April 21, 2016  
 Time: 9:00 a.m.  
 Place: Room 211

**Ka Papa Alaka'i**  
**Board of Directors**

Kauanoë Kamanā,  
*Pelekikena*

'Alohilani Rogers,  
*Kākau 'Ōlelo*

Ka'iu Kimura,  
*Pu'ukū*

Larry Kimura

William H. Wilson

Ki'ope Raymond

Huilau Wilson

Keawe Lopes

*Testimony of the 'Aha Pūnana Leo, Non-Profit Educational Organization  
 Dedicated to the Revitalization of the Hawaiian Language*

HCR 188, HD1      REQUESTING THE ESTABLISHMENT OF A  
 PUBLIC LAND TRUST REVENUES  
 NEGOTIATING COMMITTEE: **SUPPORT**

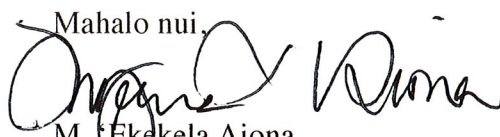
Aloha Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee:

My name is 'Ekekela Aiona, Executive Director of the 'Aha Pūnana Leo.  
 The 'Aha Pūnana Leo submits testimony in **support of HCR 188, HD1.**

The Public Land Trust (PLT) revenues are the major source of revenues necessary to fund programs that benefit Native Hawaiians. The adoption of HCR 188, HD1 will be the first critical step taken within the past decade that ensures Native Hawaiians will receive a fair share of PLT revenues provide for in the Hawai'i State Constitution. Currently, a fair share is being denied Native Hawaiians. The establishment of a PLT revenues negotiating committee is a step in the right direction allowing the Office of Hawaiian Affairs to do more for the betterment of Native Hawaiians.

Since FY 2010, the Office of Hawaiian Affairs has awarded over \$21 million for educational purposes which included \$9 million to Hawaiian focused and Hawaiian language charter schools. The 'Aha Pūnana Leo families are increasing in number and a fairer share of the Public Land Trust revenues will greatly benefit our families.

The 'Aha Pūnana Leo urges the Senate Committee on Ways and Means to support and pass HCR 188, HD1.

Mahalo nui.  
  
 M. 'Ekekela Aiona  
 Executive Director, 'Aha Pūnana Leo  
 96 Pu'uhonu Place  
 Hilo, HI 96720  
 (808) 935-4304

**Ka Luna Ho'okele**  
**Executive Director**

M. 'Ekekela Aiona

**Nā Papahana**  
**Pūnana Leo**

*Pūnana Leo Programs*

**Nā Kula Pūnana Leo**  
**Pūnana Leo Family-Based**

*Preschool Program*

Pūnana Leo o Hilo

Pūnana Leo o Waimea

Pūnana Leo o Kona

Pūnana Leo o Maui

Pūnana Leo o Moloka'i

Pūnana Leo o Honolulu

Pūnana Leo o Ko'olau Poko

Pūnana Leo o Ko'olau Loa

Pūnana Leo o Wai'anae

Pūnana Leo o Mānoa

Pūnana Leo o Kaua'i

**Niuolahiki**

*Hawaiian Language Online*



## **Association of Hawaiian Civic Clubs**

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

### **SENATE COMMITTEE ON WAYS AND MEANS**

#### **HCR 188 HD1 Requesting the establishment of a Public Land Trust Revenues Negotiating Committee**

Thursday, 4/21/16; 9:00 a.;Room 211

Aloha Madam Chair Tokuda, vice chair Dela Cruz and members of the Senate Committee on Ways and Means.

I am Annelle Amaral, president of the Association of Hawaiian Civic Clubs, an organization first formed in 1918 as an advocacy group on behalf of the Native Hawaiian people, then incorporated as an Association in 1959. The AHCC supports this measure that will establish a negotiating committee to determine a revenue share from the public land trust to the Office of Hawaiian Affairs.

The Board of Directors of the Association of Hawaiian Civic Clubs held a quarterly meeting on January 15, 2016 which included the presidents and board members of the councils in each county of Hawaii as well as the council representing sixteen states on the continent. Representatives from the Office of Hawaiian Affairs appeared before the AHCC Board to discuss the OHA legislative measures to be introduced in the 2016 legislative session.

After some discussion the AHCC board agreed that legislation needs updating to provide OHA with a fair share of the Public Trust Land revenues. OHA's share of PTL revenues currently go toward a wide range of support programs, services and initiatives that include but are not limited to health, education, housing, culture and general community wellness. Projects and programs of the AHCC and some of our individual clubs have been benefited from OHA grants and, by extension, so has the general public when OHA assists its beneficiaries.

This legislation will establish a public land trust revenues negotiating committee to sort out what has become a complicated issue of payment, overpayment, shortfalls

and repayments. We sincerely hope that the committee suggested in HCR 188 to consist of: the Senate president (or designee), Speaker of the House (or designee), Governor of Hawaii (or designee) and the Chairperson of the Office of Hawaiian Affairs (or designee) will be able to fairly resolve the matter of PLT annual income and proceeds to OHA.

**We would like to offer an amendment to the bill that would require transparency when the negotiating committee meets and a pre-meeting agenda published just as with any other board or commission.**

Thank you for the opportunity to testify on this concurrent resolution that is of extreme importance to the continued betterment of conditions of the indigenous people of Hawaii. As Hawaiians thrive so shall the general population. Thank you for the opportunity to testify.

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

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**Subject:** Submitted testimony for HCR188 on Apr 21, 2016 09:00AM  
**Date:** Wednesday, April 20, 2016 10:12:29 AM

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**HCR188**

Submitted on: 4/20/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leimomi Khan	Kalihi Palama HCC	Support	No

Comments: The Kalihi Palama HCC continues to support HCR188 HD1, Requesting the Establishment of a Public Trust Revenues Negotiating Committee. In 2006, OHA and the state agreed on Act 178 as an interim resolution and established OHA's temporary annual share at \$15.1 million dollars but in the past three year's the state's Public Trust Land revenues have averaged \$158,077,656, 20% of which is \$31,615,531, more than twice the \$15.1 million Thus, it is timely to revisit the pro rata share of the Public Land Trust. Establishing a public land trust revenues negotiating committee to make recommendations to the legislature is needed to assure a just pro rata share of the PLT revenues to OHA especially in light of inflationary costs in support of its programs. Please pass HCR188HD1.

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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**Subject:** Submitted testimony for HCR188 on Apr 21, 2016 09:00AM  
**Date:** Wednesday, April 20, 2016 7:55:20 AM

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## **HCR188**

Submitted on: 4/20/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Donna K Santos	Individual	Comments Only	No

Comments: I am a Native Hawaiian from Lihu`e, Kaua`i. I SUPPORT HCR188 as the first major step within the last 10 years to ensure that Hawaiians receive a fair annual share of Public Land Trust revenues. I believe the "temporary" cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. The Public Land Trust revenue provides OHA with funding to support important programs and services to our Native Hawaiian community. OHA has greatly impacted my community through their grants and loan programs. Therefore, I urge the committee to PASS this measure.

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**Subject:** Submitted testimony for HCR188 on Apr 21, 2016 09:00AM  
**Date:** Tuesday, April 19, 2016 3:06:07 PM

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**HCR188**

Submitted on: 4/19/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Leanne Fox	Individual	Support	No

Comments: I live in Royal Kunia, Oahu. I strongly SUPPORT HCR188 which would be the first major step taken in the last 10 years to ensure that Hawaiians receive a fair annual share of Public Land Trust revenues. The temporary \$15.1 million cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. The Public Land Trust revenue provides OHA with funding to support important programs and services, including Hawaiian charter schools, health, housing, and cultural based initiatives. OHA has greatly impacted my community through their grants and loan programs. I urge the committee to PASS this measure.

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I live in Waianae, Hawaii on the island of Oahu and I strongly support HCR188 which would be the first major step taken in the last 10 years to ensure that Hawaiians receive a fair annual share of Public Land Trust revenues. The temporary \$15.1 million cap on the state's annual transfers to OHA is no longer a fair reflection of what is due. The Public Land Trust revenue provides OHA with funding to support programs and services, such as Hawaiian charter schools, health, housing, and cultural based initiatives. OHA has greatly impacted the Waianae community through their grants and loan programs. I urge the committee to PASS this measure which is very important to us Hawaiians on the Waianae Coast.

Mahalo Nui,

Rochelle N.Kawelo

Pelekikena, Waianae Hawaiian Civic Club

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**Date:** Wednesday, April 20, 2016 7:29:30 AM

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**HCR188**

Submitted on: 4/20/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments:

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**Date:** Wednesday, April 20, 2016 8:22:04 AM

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**HCR188**

Submitted on: 4/20/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

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

Comments: Public land trust lands are Hawaiian lands, and our constitution entrusts the state with the responsibility to ensure they benefit Native Hawaiians. However, it is now abundantly clear that the \$15.1 million established as OHA's annual Public Land Trust share falls far short of the 20% that Hawaiians are owed. Please support this long-due effort to ensure that Hawaiians receive a realistic and fair reflection of their one-fifth share of revenues from the Public Land Trust!

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**Subject:** \*Submitted testimony for HCR188 on Apr 21, 2016 09:00AM\*  
**Date:** Tuesday, April 19, 2016 4:33:40 PM

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**HCR188**

Submitted on: 4/19/2016

Testimony for WAM on Apr 21, 2016 09:00AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Oppose	No

Comments:

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