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WILLIAM J. AILA, JR.
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HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
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**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

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TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON JUDICIARY
HEARING ON FEBRUARY 12, 2020 AT 3:00PM IN CR 325

HB 2588, HD1 RELATING TO THE HAWAIIAN HOMES COMMISSION ACT

February 10, 2020

Aloha Chair Lee, Vice Chair San Buenaventura, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) submits comments on this bill prohibiting lessees who sell or transfer land from obtaining subsequent leases of the same class of land unless the subsequent lease is acquired pursuant to section 209 of the Hawaiian Homes Commission Act, 1920, as amended, or the prior lease interest held by the lessee was a partial interest held with another lessee or lessees.

DHHL prepared a report to the 2020 Legislature relating to Act 179 (2018) requiring DHHL to conduct a study on the issue of Hawaiian Home Lands lessees selling or transferring their Hawaiian Home Lands lease to another Native Hawaiian for a fee or personal gain and then applying for a subsequent Hawaiian Home Lands lease. The study essentially determined that a small number of applicants transferred their lease for a fee or other personal gain and then applied for a subsequent Hawaiian home lands lease. Given this finding, the study recommended that legislative action is not needed because the existing administrative rules (1) place a preference on applicants who have not been awarded a lease; (2) closed the loophole on profiting from sales of vacant or undeveloped lots and undivided interests; and (3) prioritize transfers to qualified beneficiaries on the waitlist over beneficiaries not on a waitlist.

Thank you for your consideration of our testimony.