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Unity, Equality, Aloha for all



To: HOUSE COMMITTEE ON FINANCE

For hearing Monday, February 25, 2019

Re: HB 893, HD1 RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS BUDGET.

Appropriates funds for the fiscal biennium 2019-2021 operating budget of the Department of Hawaiian Home Lands programs under the purview of the House of Representatives Standing Committee on Water, Land, and Hawaiian Affairs.

TESTIMONY IN OPPOSITION

MAKE OHA PAY FOR DHHL. Do not force 100% of Hawaii's taxpayers to pay for a program which 95% of us are excluded from solely on account of race, lacking 50% Hawaiian native blood.

According to its most recent annual statement, The Office of Hawaiian Affairs has assets of more than \$662,000,000.00. OHA can easily afford to pay for the administrative and operational expenses of the

Department of Hawaiian Homelands; this legislature has the power to make that happen; and this legislature should do so.

OHA gets nearly all its money from ceded land revenues.

Following Annexation, the Organic Act of 1900, providing a government for the Territory of Hawaii, taking the public lands of Hawaii into trust for the benefit of all the people of Hawaii, and requiring that the revenue from those ceded lands must be used "for education and other public purposes."

Section 5(f) of the statehood Admissions Act, 1959, says one of the 5 purposes for the use of ceded land revenues: is "... for the betterment of the conditions of native Hawaiians, as defined in the Hawaiian Homes Commission Act, 1920." HHCA defines "native Hawaiians" as people who have at least 50% native blood quantum -- exactly the same requirement for someone to be granted a lease on DHHL land.

Act 273 (1980) says "twenty per cent of all funds derived from the public land trust ... shall be expended by the office of Hawaiian affairs ... for the purposes of this chapter." Act 273 does not say the funds may be invested in an investment portfolio, it says the funds SHALL BE EXPENDED to provide services. Yet OHA seems to think it can grab tens of millions of dollars every year which it then invests or uses for political purposes such as lobbying for the Akaka bill or building a racial registry for "nationbuilding", but OHA fails to provide more than sporadic and inadequate funding for purposes which OHA should be supporting.

OHA currently has over \$662 Million in assets. No other agency of the state government is allowed to squirrel away huge amounts of wealth as a permanent cash stash.

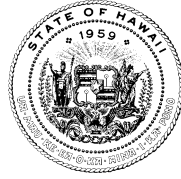
The legislature has the power to command OHA to provide full funding for the administrative and operational expenses of DHHL, including building the infrastructure to support housing development.

The legislature often passes laws compelling OHA to comply with certain requirements or telling OHA what OHA must spend money for. For example, OHA is commanded to obey the state procurement laws, and to cooperate with the state auditor. In recent years the legislature required that OHA must pay for the training program which state government officials are required to attend regarding laws governing "Native Hawaiian rights."

MAKE OHA PAY FOR DHHL. Do not force 100% of Hawaii's taxpayers to pay for a program which 95% of us are excluded from solely on account of race, lacking 50% Hawaiian native blood.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

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

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LATE

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
HEARING ON FEBRUARY 25, 2019 AT 3:00PM IN CR 308

**HB 893, HD1 RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS
BUDGET**

February 20, 2019

Aloha Chair Luke, Vice Chair Cullen and members of the Committee:

Thank you for the opportunity to testify on House Bill 893, HD1, which appropriates funds for the fiscal biennium 2019-2021 operating budget of the Department of Hawaiian Home Lands (DHHL). DHHL greatly appreciates the bill's intent of appropriating funding for our programs, HHL 602 – Planning and Development for Hawaiian Homesteads and HHL 625 – Administration and Operating Support.

The Hawaiian Homes Commission approved the “Sufficient Sums” biennium budget request, which DHHL submitted to the Governor and the Legislature as detailed in our budget briefing testimony that can be reviewed at https://www.capitol.hawaii.gov/session2019/testimony/Info_Testimony_WAM-HWN_01-09-19_HHL.pdf. While DHHL's obligation to make this request is clear, the operating budget included in the Governor's Executive budget request, which includes \$25.5 million annually in general fund support, is an appropriate base line given our current staffing levels and funding provided over the past two years. Thus, we ask that this bill be amended to appropriately reflect under HHL 625 – Administration and Operating Support, \$25,503,947 in FY2020 and \$25,510,167 in FY2021, which includes fringe benefit costs.

Thank you for your consideration of our testimony.