

STAND. COM. REP. NO. 3014

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 2021
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2021 entitled:

"A BILL FOR AN ACT RELATING TO INCREASING THE PAYMENT AMOUNT FOR THE OFFICE OF HAWAIIAN AFFAIRS' PRO RATA SHARE OF THE PUBLIC LAND TRUST,"

begs leave to report as follows:

The purpose and intent of this measure is to address revenues due to the Office of Hawaiian Affairs from income and proceeds from the public land trust.

Specifically, the measure:

- (1) Requires agencies that collect receipts for any disposition of the public land trust to transfer to the Office of Hawaiian Affairs in each fiscal quarter, twenty percent of each receipt from the disposition;
- (2) Returns to the Office of Hawaiian Affairs certain moneys previously claimed as public land trust overpayments to the Office; and
- (3) Establishes a Public Land Trust Revenues Negotiating Committee for the purpose of resolving the amount of the income and proceeds from the public land trust that the Office of Hawaiian Affairs shall annually receive.



Your Committee received written comments in support of this measure from the University of Hawaii; Office of Hawaiian Affairs; Native Hawaiian & Pacific Islander Hawaii COVID-19 Response, Recovery, and Resilience Team; and Kupuna for the Moopuna.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources and Center for Hawaiian Sovereignty Studies.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Agriculture, Department of the Attorney General, Hawaii Health Systems Corporation, and League of Women Voters of Hawaii.

Your Committee recognizes the State's trust obligation under Article XII, section 6, of the Hawaii State Constitution to Native Hawaiians. Accordingly, the State must uphold its trust responsibilities and duty of care to Native Hawaiians to account for all ceded lands in the public lands trust inventory; account for all income and proceeds derived from the public land trust; and transfer an adequate pro rata share of income and proceeds from the public land trust annually to the Office of Hawaiian Affairs for the betterment of the conditions of Native Hawaiians.

Your Committee has amended this measure by replacing its contents with S.B. No. 2122, S.D. 1, a substantially similar measure, and further amending the measure by:

- (1) Codifying twenty percent of the net receipts from the public land trust, or \$15,100,000, whichever is greater, as the Office of Hawaiian Affairs' annual share of the income and proceeds of the public land trust, beginning in fiscal year 2022-2023;
- (2) Specifying that departments, agencies, or entities that collect receipts from public land trust lands shall ensure that a total of \$3,775,000 in public land trust receipts are transferred to the Office of Hawaiian Affairs at the close of each fiscal quarter;
- (3) Specifying that if the total amount of receipts transferred pursuant in paragraph (2) is less than

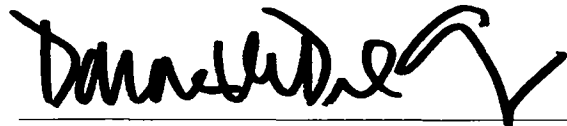


\$3,775,000, the Director of Finance shall make up the difference by establishing the additional amount of receipts that agencies must transfer to the Office of Hawaiian Affairs;

- (4) Deleting language providing for the Office of Hawaiian Affairs to transfer excess quarterly public trust funds receipts to the carry-forward trust holding account;
- (5) Making the appropriation to the Office of Hawaiian Affairs an unspecified sum of moneys from the carry-forward trust holding account;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on this measure; and
- (7) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2021, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2021, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

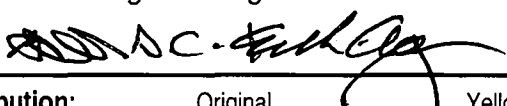


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2021	Committee Referral: HWN, WAM	Date: 2/23/22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MISALUCHA, Bennette E.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	11			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes