

STAND. COM. REP. NO.

2045

Honolulu, Hawaii

FEB 03 2022

RE: S.B. No. 2122
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 Hawaiian Affairs, to which was referred
S.B. No. 2122 entitled:

"A BILL FOR AN ACT RELATING TO INCREASING 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 increase the
Office of Hawaiian Affairs' pro rata share of the monies derived
from the public land trust and to transfer monies to the Office of
Hawaiian Affairs for income and proceeds due from the use of the
public land trust lands between July 1, 2012, and June 30, 2022,
that was misallocated, underreported, or underpaid to the Office
of Hawaiian Affairs.

Your Committee received testimony in support of this measure
from Native Hawaiian and Pacific Islander COVID-19 Hawaii
Response, Recovery, and Resilience Team; Kupuna for the Mo'opuna;
and two individuals. Your Committee received testimony in
opposition to this measure from the Department of Land and Natural
Resources, Center for Hawaiian Sovereignty Studies, and one
individual. Your Committee received comments on this measure from
the Department of Agriculture, Hawaii Health Systems Corporation,
Department of the Attorney General, and Department of Budget and
Finance.



Your Committee finds that there is a constitutional obligation for the State to provide a sufficient sum of income and proceeds as the pro rata share of the public land trust for the betterment of the conditions of native Hawaiians. Act 178, Session Laws of Hawaii 2006 (Act 178), put in place annual payments of \$15,100,000 from the pro rata portion of the public land trust to the Office of Hawaiian Affairs in acknowledgment of the State's constitutional obligation. However, Act 178 was passed with the intention that it would be an interim measure until the Legislature could further assess the complexities of the issue, including in part gathering information on revenue-generating public trust lands and amounts derived from those lands.

Your Committee finds that in a 2015-2016 financial review initiated by the Office of Hawaiian Affairs, the minimum amount of total gross receipts from sources that the Office of Hawaiian Affairs has historically claimed was approximately \$394,322,163 in the fiscal year 2015-2016. Twenty percent of this amount is approximately \$78,900,000. Therefore, this measure seeks to increase the amount of the Office of Hawaiian Affairs' annual share of the income and proceeds of the public land trust beginning in fiscal year 2022-2023. Furthermore, an undecided sum of monies shall be transferred to the Office of Hawaiian Affairs for income and proceeds due from the use of the public land trust lands between July 1, 2012, and June 30, 2022, that was misallocated, underreported, or underpaid to the Office of Hawaiian Affairs while requiring the continued annual accounting of all receipts from lands described in section 5(f) of the Admission Act.

Your Committee has amended this measure by:

- (1) Deleting \$78,900,000 and inserting an unspecified amount 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) Deleting \$638,000,000 and inserting an unspecified amount as the sum to be transferred to the Office of Hawaiian Affairs for income and proceeds due from the use of the public land trust lands between July 1, 2012,



and June 30, 2022, that was misallocated, underreported, or underpaid to the Office of Hawaiian Affairs; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2122, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2122, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,

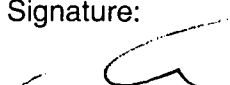


MAILE S.L. SHIMABUKURO, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Hawaiian Affairs
HWN

Bill / Resolution No.:* SB 2122	Committee Referral: HWN, WAM	Date: 11/27/2022		
<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
SHIMABUKURO, Maile S.L. (C)	X			
KEOHOKALOLE, Jarrett (VC)	X			
ACASIO, Laura	X			
IHARA, Jr., Les	X			
FEVELLA, Kurt	X			
TOTAL	5			
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