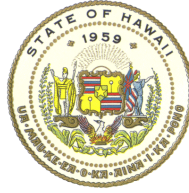
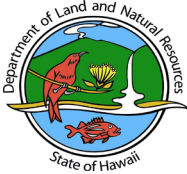


DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
WATER & LAND**

**Tuesday, March 22, 2022
9:30 AM**

State Capitol, Conference Room 430, Via Videoconference

**In consideration of
HOUSE CONCURRENT RESOLUTION 116 / HOUSE RESOLUTION 116
REQUESTING THE CONVENING OF A LAND TRANSFER TASK FORCE TO
REVIEW CERTAIN LANDS FOR EXCHANGE BETWEEN THE DEPARTMENT OF
HAWAIIAN HOME LANDS AND THE DEPARTMENT OF LAND AND NATURAL
RESOURCES.**

House Concurrent Resolution 116 / House Resolution 116 request the convening of a land transfer task force to review lands for exchange between the Department of Hawaiian Home Lands (DHHL) and the Department of Land and Natural Resources (Department). **The Department offers the following comments and respectfully opposes these measures.**

These measures propose to create a task force to examine DHHL's and the Department's landholdings to determine which lands may be more appropriately managed by the other agency and prepare an inventory to effectuate potential land exchanges. The measures state that DHHL manages approximately sixty thousand acres of conservation land that may not be best suited for DHHL whose primary mission is to develop homesteads for beneficiaries.¹ The proposed task force would be responsible for identifying lands held by the Department that may be better suited to DHHL's purposes.

First, these measures incorrectly presume the Department holds an inventory of lands in the urban core suitable for housing for DHHL's beneficiaries. Unlike HHFDC or HPHA, the Department is not in the housing business. Most lands held by the Department are zoned conservation or agriculture (e.g., Forest Reserves, Natural Area Reserves, State Parks, lands identified for transfer to the Department of Agriculture for farming, etc.), with little or no infrastructure. Many of the State's urban lands have already been set aside to other state and county agencies for affordable housing, public housing, homeless shelters, lower and higher

¹ DHHL lands are trust lands and not subject to state or county zoning. DHHL has exempted its lands in the past. Therefore, the conservation zoning would not be an impediment to the development of homesteads by DHHL.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

education, farming, transportation such as airports and commercial harbors, State, and community parks, etc.

The Land Division does hold a very small inventory of industrial, commercial and resort lands which generate revenues to help support the division and the rest of the Department. The Department is concerned that exchanging its very limited inventory² of urban revenue generating lands for fallow, undevelopable lands held by DHHL will significantly impact the Department's ability to carry out its mission. Revenues collected by the Department's Land Division cover the entire annual operating budget for the Land Division, the Office of Conservation and Coastal Lands, and the Dam Safety and Mineral Resources Programs of the Department. The revenues fund over 80 Department staff positions, including 5 positions within the Commission on Water Resource Management, and provide funding support to the Division of State Parks and various resource protection programs administered by the Division of Forestry and Wildlife such as the protection of threatened and endangered species, removal of invasive species, wildland firefighting and lifeguard services. Any reduction in departmental revenue generation could directly impact these programs and positions.

Secondly, these measures fail to recognize that many of the lands currently held, or to be held by DHHL were actually the result of a task force and the legislature back in 1994 [Act 14 Session Laws of Hawaii 1994 (Act 14)], and prior administrations that included, among others the leadership at DHHL and the Department.³ In 2010, the Hawaiian Homes Commission (Commission) and the Board of Land and Natural Resources (Board) reached a full and final settlement of the lands to be transferred to the Commission pursuant to the Board's action of October 28, 2010, agenda Item D-12, approved as amended (documents may be reviewed at: <https://dlnr.hawaii.gov/ld/2010-full-and-final-dhhl-settlement/>). By this settlement the Department completed the State's 1994 administrative initiative to transfer 16,518 acres of state lands to DHHL referenced in Section 1 of Act 14, to make the "available lands" whole. The parcels agreed upon for transfer were identified in the Board action.

To date, the Department has conveyed 16,298.975 acres to DHHL, of which DHHL acknowledges 15,742.652 acres are in satisfaction of the requirements of Act 14. A further 1,070.067 acres are pending transfer to DHHL.

The Department and DHHL have been working methodically to identify and resolve issues causing delays in the transfer of the remaining parcels. Foremost among these issues is that many of the parcels have not been surveyed previously. DHHL is in the process of procuring surveys and subdividing the remaining parcels. These processes must be completed before the parcels can legally be conveyed to the Commission. Having to participate on a new Task Force to look

² As an example, the total amount of land encumbered by leases and revocable permits for commercial, industrial, resort and related purposes is 1200 acres, less than one tenth of 1% of the Department's total inventory of 1.3 million acres.

³ It is believed prior administrations that included the leadership at DHHL desired and sought out (and agreed to) lands that tended to be in valleys near mountains and streams for a culture that supports and appreciates mountainous and conservation lands, natural resources, and an agrarian lifestyle. By its very nature, these types of lands tended to be in the agricultural or conservation districts. In a Civil Beat article dated February 24, 2017, the former DHHL Chairperson noted that DHHL was not a housing development agency.

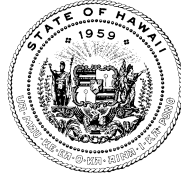
at others lands for transfer would detract the limited staff resources of both departments that could be better served in focusing on the work needed to complete the complex issues surrounding the conveyances of land in accordance with the past land settlement. Therefore, the Department respectfully requests both measures be held.⁴

Thank you for the opportunity to comment and oppose these measures.

⁴The Department and DHHL can certainly discuss possible land exchanges outside of the settlement, as may be appropriate. A task force is not needed to facilitate such discussions. Therefore, both measures should be held.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

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

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON WATER & LAND
HEARING ON MARCH 22, 2022 AT 9:30AM VIA VIDEOCONFERENCE

**HCR 116/HR 116 REQUESTING THE CONVENING OF A LAND TRANSFER TASK
FORCE TO REVIEW CERTAIN LANDS FOR EXCHANGE BETWEEN THE
DEPARTMENT OF HAWAIIAN HOME LANDS AND DEPARTMENT OF LAND AND
NATURAL RESOURCES**

March 22, 2022

Aloha Chair Tarnas, Vice Chair Branco, and members of the Committee:

The Department of Hawaiian Home lands (DHHL) submits comments on these resolutions requesting the convening of a land transfer task force to review certain lands for exchange between DHHL and DLNR. DHHL appreciates the motivation behind these resolutions, but notes that any land exchange of Hawaiian Home Lands would be subject to US Department of Interior oversight pursuant to 43 CFR Part 47 and approval by the Secretary of the Interior or the individual to whom the authority and responsibilities of the Secretary have been delegated.

DHHL requests an amendment to the resolutions to replace “The Homestead Services Administrator of the Department of Hawaiian Home Lands” on page 2, lines 22-23 with “The Planning Office Administrator of the Department of Hawaiian Home Lands.”

Thank you for your consideration of our testimony.