

STAND. COM. REP. NO. **68**

Honolulu, Hawaii

**FEB 06**

, 2023

RE: H.B. No. 37

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 37 entitled:

"A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Abolish the Native Hawaiian Rights Fund of the Office of Hawaiian Affairs, pursuant to the recommendation made by the Office of the Auditor in Report No. 22-02; and
- (2) Transfer any unencumbered balance to the general fund.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Office of the Auditor's Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Office of Hawaiian Affairs, Report No. 22-02, found that the Native Hawaiian Rights Fund no longer serves the purpose for which it was created and recommended that it be closed. According to the Auditor's report, the Native Hawaiian Rights Fund was administratively established by the Office of Hawaiian Affairs in 1987 to hold attorney's fees and costs recovered by the Native Hawaiian Legal Corporation's Land Title Project. However, since

2023-1095 HB37 HSCR HMSO



the Office of Hawaiian Affairs now has a direct legal services contract with the Native Hawaiian Legal Corporation, the Native Hawaiian Rights Fund is no longer needed and its balance was transferred to the Public Land Trust on July 14, 2015. Your Committee further finds that while the Native Hawaiian Rights Fund has internally been inactivate, it still exists in the State Financial Accounting and Management Information System.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 37 and recommends that it pass Second Reading and be referred to your Committee on Finance.

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



---

DAVID A. TARNAS, Chair



