

STAND. COM. REP. NO. 221

Honolulu, Hawaii

FEB 14 2023

RE: S.B. No. 1235
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Hawaiian Affairs, to which was referred
S.B. No. 1235 entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN
AFFAIRS,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify certain
ambiguities as to the purpose, scope, and duration of the working
group established by Act 226, Session Laws of Hawaii 2022 (Act
226). Specifically, this measure:

- (1) Clarifies that the working group established by Act 226
is a temporary public land trust working group within
the Office of the Governor for administrative purposes
only;
- (2) Provides that the working group's sole purpose shall be
to compile a definitive inventory of public land trust
lands; and
- (3) Amends the composition of the working group and
authorizes the working group to hire staff.

Your Committee received testimony in support of this measure
from the Department of Budget and Finance and one individual.



Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that, pursuant to Act 226, a working group was established to: (1) conduct an accounting of all ceded lands in the public lands trust inventory; (2) conduct an accounting of all income and proceeds derived from the public land trust; and (3) to transfer the twenty percent pro rata share of income and proceeds from the public land trust to the Office of Hawaiian Affairs for the betterment of the conditions of Native Hawaiians.

However, your Committee finds that Act 226 contains certain ambiguities as to the working group's purpose, scope, and duration. Therefore, this measure clarifies that the public land trust working group shall be temporary in nature and will be placed within the Office of the Governor, and provides that the working group's sole special purpose is to compile a definitive inventory of all lands that comprise the public land trust.

Your Committee has heard the testimony of the Department of Budget and Finance expressing concerns that this measure would eliminate two key roles established by Act 226, namely, the working group's role to account for all income and proceeds from the public land trust and its role to determine the amount of the twenty percent pro rata share of income from the public land trust due to the Office of Hawaiian Affairs.

Your Committee also heard the testimony of the Office of Hawaiian Affairs, expressing concerns, among other things, that this measure's removal of the word "ceded" from the working group's role to "inventory all ceded lands", is in error, because the public land trust inventory is only a subset of the ceded lands inventory.

Therefore, your Committee has amended this measure by:

- (1) Retaining the original language of Act 226 that requires the working group to compile and inventory all ceded lands;
- (2) Clarifying that the working group shall have the primary special purpose, as opposed to a sole purpose, to



compile an inventory of all ceded lands in the public trust;

- (3) Retaining the working group's two ancillary roles, specifically, its role to conduct an accounting of all income and proceeds derived from the public land trust and its role to transfer the twenty percent pro rata share of income and proceeds from the public land trust;
- (4) Amending section 1 to reflect its amended purpose; and
- (5) 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. 1235, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1235, 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



