

**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-SECOND LEGISLATURE, 2023**

---

**ON THE FOLLOWING MEASURE:**

S.B. NO. 1582, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

**BEFORE THE:**

SENATE COMMITTEE ON HAWAIIAN AFFAIRS

**DATE:** Tuesday, February 7, 2023      **TIME:** 1:01 p.m.

**LOCATION:** State Capitol, Room 224

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or  
Randall S. Nishiyama, Deputy Attorney General

---

Chair Shimabukuro and Members of the Committee:

The Department of the Attorney General supports this bill and provides the following comments.

This bill amends the lapse date of the \$600,000,000 appropriation to the Department of Hawaiian Home Lands (DHHL) in Act 279, Session Laws of Hawaii 2022 (Act 279), from June 30, 2025, to June 30, 2023, then appropriates an unspecified sum for fiscal year 2023-2024 for the purposes of Act 279 that lapses on June 30, 2025.

Act 279 appropriated \$600,000,000 in general funds for fiscal year 2021-2022 to DHHL for the purpose of reducing the number of applicants on the DHHL waitlist. Act 279 also provided that any unencumbered moneys from that appropriation lapses to the general fund on June 30, 2025. We believe that the June 30, 2025 lapse date violates the biennium plus one year lapsing provision of article VII, section 11, of the Hawaii State Constitution.

Article VII, section 11, of the Hawaii State Constitution, provides in pertinent part:

All appropriations for which the source is general obligation bond funds or general funds shall be for specified periods. No such appropriation shall be made for a period exceeding three years; . . . . Any such appropriation or any portion of any such appropriation that is unencumbered at the close of the fiscal period for which the appropriation is made shall lapse; . . . .

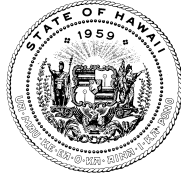
We believe that article VII, section 11, of the Hawaii State Constitution, allows an appropriation to be expendable for a period of three years, that is, one year beyond the biennium period covered by the appropriation. In this instance, one year beyond the 2021-2023 fiscal biennium ends on June 30, 2024. However, Act 279's lapsing provision provides that moneys appropriated for fiscal year 2021-2022 can be expended until June 30, 2025, two years beyond the 2021-2023 fiscal biennium. We believe that Act 279's longer lapsing date is inconsistent with article VII, section 11, of the Hawaii State Constitution.

Consequently, in order to effectuate the June 30, 2025, lapse date for the DHHL appropriation, we believe that the provisions of this bill are necessary, that is, by lapsing the unexpended and unencumbered money of the Act 279 appropriation on June 30, 2023, and including the appropriation for fiscal year 2023-2024 of the unexpended and unencumbered amount of the Act 279 appropriation with the extended lapse date of June 30, 2025. While the appropriation for fiscal year 2023-2024 reflects an unstated amount, we believe that the Legislature can estimate the subject appropriation amount on the high end and the Governor, utilizing the allotment provisions, can withhold the amount in excess of the actual expenditure of moneys.

We respectfully asked the Committee to consider our comments.

**JOSH GREEN, M.D.**  
GOVERNOR  
STATE OF HAWAII  
*Ke Kia 'āina o ka Moku 'āina 'o  
Hawaii 'i*

**SYLVIA J. LUKE**  
LT. GOVERNOR  
STATE OF HAWAII  
*Ka Hope Kia 'āina o ka Moku 'āina  
'o Hawaii 'i*



**IKAIKA ANDERSON**  
CHAIRMAN DESIGNATE, HHC  
*Ka Luna Ho 'okele*

**KATIE L. DUCATT**  
DEPUTY DESIGNATE TO THE  
CHAIRMAN  
*Ka Hope Luna Ho 'okele*

**STATE OF HAWAII**  
**DEPARTMENT OF HAWAIIAN HOME LANDS**  
*Ka 'Oihana 'Āina Ho 'opulapula Hawaii 'i*

P. O. BOX 1879  
HONOLULU, HAWAII 96805

TESTIMONY OF IKAIKA ANDERSON, CHAIRMAN-DESIGNATE  
HAWAIIAN HOMES COMMISSION  
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS  
HEARING ON FEBRUARY 7, 2023 AT 1:01PM IN CR 224

**SB 1582, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS**

February 7, 2023

Aloha Chair Shimabukuro, Vice Chair Fevella, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) strongly supports this bill which would ensure that the \$600,000,000 appropriated to DHHL in Act 279, Session Laws of Hawaii 2022, is available for expenditure until June 30, 2025.

In the Strategic Plan to Implement Act 279 of 2022 that was submitted to the Legislature, proposed legislation was recommended to confirm the intent of the Legislature that funds appropriated in Act 279, Session Laws of Hawaii 2022, be available for expenditure until June 30, 2025. SB1582 accomplishes this objective.

Thank you for your consideration of our testimony.

# TAX FOUNDATION OF HAWAII

---

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

---

SUBJECT: MISCELLANEOUS, Technical Correction to DHHL Appropriation

BILL NUMBER: SB 1582, HB 1507

INTRODUCED BY: SB by KOUCHI; HB by SAIKI

EXECUTIVE SUMMARY: Ensures that the \$600,000,000 appropriated to the department of Hawaiian home lands in Act 279, Session Laws of Hawai‘i 2022, is available for expenditure until June 30, 2025.

SYNOPSIS: Amends section 6 of Act 279, SLH 2022, to provide that any moneys out of the \$600 million not encumbered for specific purposes lapse to the general fund on June 30, 2023.

Appropriates \$\_\_\_\_\_ for the purposes of Act 279, SLH 2022, provided that any moneys not encumbered for specific purposes shall lapse to the general fund on June 30, 2025.

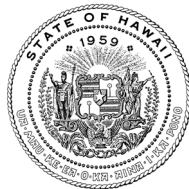
EFFECTIVE DATE: July 1, 2023; provided that section 2 shall take effect on June 29, 2023.

STAFF COMMENTS: Act 279, SLH 2022, provided an appropriation to DHHL of \$600 million but specified that the moneys would lapse on June 30, 2025, if not spent or encumbered by then.

To meet the requirement of Article VII, section 11 of the Hawaii Constitution, the appropriation is broken up into two different appropriations. This, therefore, is just a technical correction.

Digested: 2/2/2023

JOSH GREEN, M.D.  
GOVERNOR



LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

**WRITTEN ONLY**  
TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS  
ON  
SENATE BILL NO. 1582

**February 7, 2023**  
**1:01 p.m.**  
**Room 224 and Videoconference**

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

The Department of Budget and Finance (B&F) supports Senate Bill No. 1582, which amends the lapse date of the appropriation of \$600,000,000 made to the Department of Hawaiian Home Lands (DHHL) in Section 6 of Act 279, SLH 2022, from June 30, 2025 to June 30, 2023, effective on June 29, 2023, and makes a new general fund appropriation for the purposes of Act 279 in FY 24. The approach taken in this bill, both cures the unconstitutional lapse date in Act 279 and assists the State in satisfying its American Rescue Plan Elementary and Secondary Schools Emergency Relief fund maintenance of effort obligations by re-appropriating general funds to DHHL in FY 24 when these obligations cease.

Thank you for your consideration of our comments on this bill.

Council Chair  
Alice L. Lee



Director of Council Services  
Traci N. T. Fujita, Esq.

Councilmembers  
Tom Cook  
Gabe Johnson  
Tasha Kama  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Yuki Lei K. Sugimura  
Nohelani U'u-Hodgins

Deputy Director of Council Services  
David M. Raatz, Jr., Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 1, 2023

TO: The Honorable Senator Maile S.L. Shimabukuro, Chair,  
and Members of the Senate Committee on Hawaiian Affairs

FROM: Alice L. Lee   
Maui County Council Chair

SUBJECT: **HEARING OF FEBRUARY 7, 2023; TESTIMONY IN SUPPORT OF  
SB 1582, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME  
LANDS**

Thank you for the opportunity to testify in **support** of this important measure. This measure would ensure the \$600,000,000 appropriated to the department of Hawaiian home lands in Act 279, Session Laws of Hawai'i 2022, is available for expenditure until June 30, 2025.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. The intent of Act 279 was to require that the appropriated funds be encumbered by June 30, 2025.
2. Article VII, Section 11, of the Hawai'i State Constitution provides that no appropriation may be for a period exceeding three years, which only permits the expenditure of biennial appropriations one year beyond the biennial period. In this case, that deadline is no later than June 30, 2024.
3. This measure would provide a multi-pronged approach to reducing the over twenty-eight thousand applicants on the department of Hawaiian home lands waitlist.

For the foregoing reasons, I **support** this measure.

ocs:proj:legis:23legis:23testimony:sb1582\_paf23-007(13)\_kmat

**RICHARD T. BISSEN, JR.**  
Mayor

**KEKUHAUPIO R. AKANA**  
Acting Managing Director



**OFFICE OF THE MAYOR**  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.mauicounty.gov](http://www.mauicounty.gov)

February 3, 2023

**TO:** Honorable Senator Maile S.L. Shimabukuro, Chair  
Honorable Senator Kurt Fevella, Vice Chair  
Senate Committee on Hawaiian Affairs

**FROM:** Richard T. Bissen, Jr., Mayor

**DATE:** February 3, 2023

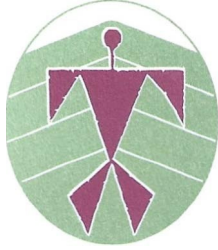
**SUBJECT: SUPPORT OF SB 1582, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS**

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to ensure that the \$600,000,000 appropriated to the department of Hawaiian home lands in Act 279, Session Laws of Hawai'i 2022, is available for expenditure until June 30, 2025.

I **SUPPORTS** this measure for the following reasons:

1. The intent of Act 279 was to require that the appropriate funds be encumbered on June 30, 2025.
2. Article VII, Section 11, of the Hawai'i State Constitution provides that no appropriation may be for a period exceeding three years, which only permits the expenditure of biennial appropriations one year beyond the biennial period. In this case, that deadline is no later than June 30, 2024.
3. This measure would provide a multi-pronged approach to reducing the over twenty-eight thousand applicants on the department of Hawaiian home lands waitlist.

For the foregoing reasons, I **SUPPORT** this measure.



# HUI KAKO'O 'ĀINA HO'OPULAPULA

*"Let the people flourish on the land."*

Testimony Presented Before the  
Senate Committees on Hawaiian Affairs  
Tuesday, February 7, 2023; 1:01 pm

By  
Elmer Ka'ai  
President and Chair

SB 1582 – RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

Chairs Shimabukuro, Vice Chairs Fevella and Member of the Committee:

Hui Kako'o 'Āina Ho'opulapula (Hui Kako'o) supports the intent of SB 1582 and offer comments.

Hui Kako'o understands the purpose of this measure; however, we urge the Department of Hawaiian Home Lands (DHHL) to immediately implement those programs and projects ("low hanging fruits") as described in the November 2022 Act 279 Plan, approved by the Hawaiian Homes Commission. This is a priority.

Act 279 is the first true efforts to provide the Hawaiian Homes Commission Act waitlist beneficiaries with an opportunity to obtain a DHHL homestead lease.



**LATE**

**SB-1582**

Submitted on: 2/6/2023 7:57:16 PM

Testimony for HWN on 2/7/2023 1:01:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nani Medeiros	Testifying for Chief Housing Officer, Office of the Governor, State of Hawaii	Support	Written Testimony Only

Comments:

In support, Mahalo.

**LATE**



Hawai'i Alliance for Community-Based Economic Development  
1575 South Beretania Street, Suite 211 Honolulu, HI 96826  
Ph. 808.550.2661  
Email [info@hacbed.org](mailto:info@hacbed.org) [www.hacbed.org](http://www.hacbed.org)

**Board Members**

*President*  
Jason Okuhama  
Managing Partner,  
Commercial & Business Lending

*Vice-President*  
Miwa Tamanaha  
Artist-in-Residence,  
Hawai'i Investment Ready

*Treasurer*  
Marcus Kawatachi  
Deputy Director,  
Hawai'i Civil Rights Commission

*Secretary*  
Trina Orimoto  
Clinical & Research Psychologist

Derrick Kiyabu  
Hawai'i Island Resident

Philip Garboden  
Assistant Professor,  
University of Hawai'i at Mānoa

**HACBED Staff**

Brent N. Kakesako  
*Executive Director*

Merri Keli'ikuli  
*Office Manager & Program  
Support*

Corin Thornburg  
*Community-Based Economic  
Development Project Associate*

Date: February 6, 2023  
To: Senator Maile S.L. Shimabukuro, Chair, Senator Kurt Fevella,  
Vice-Chair, and members of the Committee on Hawaiian Affairs  
From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic  
Development (HACBED)  
Re: Support for SB 1582

Aloha e Chair Shimabukuro, Vice-Chair Fevella, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports SB 1582, which ensures that the \$600,000,000 appropriated to the Department of Hawaiian Homelands (DHHL) in Act 279, Session Laws of Hawai'i 2022, is available for expenditure until June 30, 2025.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development and asset building strategies. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED is humbled to work in collaboration with both homestead communities as well as DHHL on a range of work including, strategic plans, organizational assessments, and business plans for a range of homestead associations and their projects as well as broader community planning with DHHL and the communities it serves. From these different aspects of work over the years, HACBED team members have heard a range of beneficiary voices that support the DHHL receiving increased funding to carry out its trust purposes, including housing its beneficiaries. As such, HACBED supports SB 1582, which ensures that the \$600,000,000 appropriated to the Department of Hawaiian Homelands (DHHL) in Act 279, Session Laws of Hawai'i 2022, is available for expenditure until June 30, 2025.

SB 1582 would increase the time available for such a large amount of money to be expended to support the housing of DHHL beneficiaries. We are excited about the potential for SB 1582 has to advance Prince Kūhiō Kalaniana'ole's vision.

Mahalo for this opportunity to testify,

Brent N. Kakesako  
Executive Director  
Hawai'i Alliance for Community-Based Economic Development