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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 3109, S.D. 1, H.D. 1

April 3, 2024
2:15 p.m.
Room 308 and Videoconference

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

The Department of Budget and Finance (B&F) supports this measure.

Senate Bill (S.B.) No. 3109, S.D. 1, H.D. 1: 1) sets a lapse date of June 30, 2024, for unexpended or unencumbered general funds authorized by Act 279, SLH 2022 (Act 279); and 2) appropriates an unspecified sum of general funds for FY 25 to continue the purposes of Act 279.

B&F supports S.B. No. 3109, S.D. 1, H.D. 1, that changes the extended lapse date of June 30, 2025, in Act 279 to June 30, 2024, to align the general fund appropriation in the Act with the constitutional time limit on appropriations set by Section 11 of Article VII of the Constitution of the State of Hawai'i.

Thank you for your consideration of our comments.



SB3109 SD1 HD1
RELATING TO THE DEPARTMENT OF HAWAIIAN HOMES
House Committee on Finance

April 3, 2024

2:15 p.m.

Conference Room 308

The Office of Hawaiian Affairs (OHA) **SUPPORTS SB3109 SD1 HD1**, which gives practical effect to the intent of the Legislature that funds appropriated in Act 279, SLH 2022, be available for expenditure until 6/30/2025.

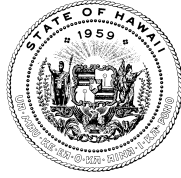
OHA recognizes that this bill provides the technical fix that the State Legislature needs to ensure its will may be carried out. We have worked with the Department of Hawaiian Homelands (DHHL) to support plans to expend the \$600 million appropriated by Act 279, SLH 2022. OHA would like to see both DHHL's plans and the will of the legislature honored. This bill will amend the act so that DHHL can move forward with expending the monies appropriated over the timeline the legislature originally intended.

We understand that DHHL previously requested amendments to include language from SB2921 regarding exceeding the general fund expenditure ceiling. We defer to the department and support amendments they believe are necessary to achieve the fix this bill proposes.

Mahalo for the opportunity to testify on this important issue. OHA respectfully requests this committee **advance SB3109 SD1 HD1**.

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

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



KALI WATSON
CHAIRMAN, HHC
Ka Luna Ho'okele

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

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

Ka 'Oihana 'Āina Ho'opulapula Hawaii'i

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TESTIMONY OF KALI WATSON, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
HEARING ON APRIL 3, 2024 AT 2:15PM IN CR 308

**SB 3109, SD1, HD 1, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME
LANDS**

April 3, 2024

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) strongly **supports** this bill which 1) gives practical effect to the intent of the Legislature that funds appropriated in Act 279, SLH 2022, be available for expenditure until June 30, 2025 and 2) appropriates funds - effective 7/1/2050.

The Hawaii State Department of the Attorney General opined that Act 279 authorization is only until June 30, 2024, given certain constitutional provisions that limit biennial appropriations to three years. Thus, as Act 279 currently stands, funds not encumbered by June 30, 2024, would lapse.

SB3109, SD1, HD1 will provide clarity that should any funds lapse, an amount would be reappropriated to the fiscal year ending June 30, 2025, in order to align with the apparent legislative intent that DHHL be provided three full years to encumber the funds appropriated under Act 279, SLH 2022.

Thank you for your consideration of our testimony.

HO`OMANA PONO, LLC
Mamua Kānaka

Attn: Rep. Kyle T. Yamashita, Chair, FIN
Rep. Lisa Kitagawa, Vice Chair, FIN
Members of FIN,

April 1, 2024

Re: **SB3109 SD1 & HD1 Relating to the Department of Hawaiian Home Lands**

We **STRONGLY SUPPORT** this bill. Please pass this measure Mahalo.

De Mont Kalai Manaole

De MONT Kalai Manaole, Co-Manager
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TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Technical Correction to \$600 Million 2022 DHHL Appropriation

BILL NUMBER: SB 3109 SD 1 HD 1

INTRODUCED BY: House Committee on Judiciary & Hawaiian Affairs

EXECUTIVE SUMMARY: Gives practical effect to the intent of the Legislature that funds appropriated in Act 279, Session Laws of Hawai'i 2022, be available for expenditure until June 30, 2025.

EXECUTIVE SUMMARY: Amends the appropriation of Act 279, SLH 2022, to conform its lapsing provision by 1 year, to conform to constitutional limitations. Appropriates moneys to the Department of Hawaiian Home Lands for fiscal year 2024-2025 to give practical effect to the legislative intent behind Act 279.

SYNOPSIS: Makes technical changes to Act 279, SLH 2022, to conform with the original intent that the \$600 million appropriated to the Department of Hawaiian Home Lands not lapse until June 30, 2025.

EFFECTIVE DATE: July 1, 2050.

STAFF COMMENTS: This is an Administration measure sponsored by the Department of Hawaiian Home Lands and designated HHL-06 (24).

The Foundation recognizes this bill as a technical fix to conform to the original intent of the bill without running afoul of limitations in the Hawaii Constitution.

Digested: 4/1/2024