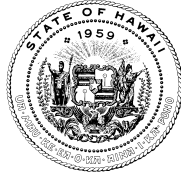


JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawaii*

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

P. O. BOX 1879
HONOLULU, HAWAII 96805

**TESTIMONY OF KALI WATSON, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS AND
THE SENATE COMMITTEE ON HOUSING
HEARING ON FEBRUARY 6, 2024 AT 1:00PM IN CR 224**

**SB 3110, RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION**

February 6, 2024

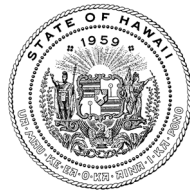
Aloha Chairs Shimabukuro and Chang, Vice Chairs Fevella and Hashimoto, and
Members of the Committees:

The Department of Hawaiian Home Lands (DHHL) supports this bill which would add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Board of Directors of the Hawaii Housing Finance and Development Corporation (HHFDC) as an exofficio nonvoting member.

The DHHL is excited about this potential opportunity for collaborative engagement and direct communication by way of participation as an exofficio nonvoting member on the HHFDC's board of directors. As an exofficio nonvoting member, the HHC Chairperson or Chairperson's designee would pose little to no disadvantage toward the HHFDC's ability to establish quorum.

The Chairperson of the HHC has a fiduciary duty to serve what is currently, approximately 29,000 native Hawaiians on the DHHL applicant waiting list, approximately 10,000 lessee beneficiaries residing on Hawaiian Home Lands, and a little over 200,000 acres of Hawaiian Home Lands. As such, inclusion of the HHC Chairperson/designee would add perspective and potency of substantive ideas, recommendations, and input in the best interest of the three different classes of beneficiaries to the Hawaiian Home Lands Trust. This bill was approved by the Hawaiian Homes Commission and included in the Governor's administrative package by request of our Department.

Thank you for your consideration of our testimony.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

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

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

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 COMMITTEES ON HAWAIIAN AFFAIRS
AND HOUSING
ON
SENATE BILL NO. 3213

February 6, 2024
1:00 p.m.
Room 224 and Videoconference

RELATING TO HAWAIIAN HOME LANDS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 3213 allocates 1% in transient accommodations tax (TAT) revenues to the Department of Hawaiian Home Lands (DHHL) for the purpose of building affordable housing for individuals on the DHHL waiting list.

B&F notes that the 1% allocation in TAT revenues to DHHL would result in an estimated general fund revenue loss of \$7.8 million for FY 25; \$8.2 million for FY 26; \$8.6 million for FY 27; \$9.0 million for FY 28; \$9.3 million for FY 29; and \$9.7 million for FY 30. In addition, the bill does not designate where the allocated funds should be deposited, nor does it provide an appropriation to DHHL to expend the funds.

Thank you for your consideration of our comments.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMODATIONS, Adds Earmark for DHHL Affordable Housing

BILL NUMBER: SB 3213

INTRODUCED BY: KANUHA, AQUINO, CHANG, DECOITE, HASHIMOTO,
KEOHOKALOLE, KIDANI, MCKELVEY, RHOADS, RICHARDS

EXECUTIVE SUMMARY: Requires one per cent of the transient accommodations tax be allocated to the Department of Hawaiian Home Lands for the purposes of building affordable housing for individuals on the DHHL waiting list.

SYNOPSIS: Amends section 237D-6.5, HRS, to earmark 1% of all Transient Accommodations Tax revenues to the Department of Hawaiian Home Lands for the purposes of building affordable housing for individuals on the DHHL waiting list.

EFFECTIVE DATE: Upon Approval.

STAFF COMMENTS: The proposed measure would perpetuate the earmarking of TAT revenues. Housing those on the DHHL waitlist may provide a societal benefit. But does that justify grabbing a pot of TAT money without going through the normal budgeting process that also considers sweltering primary schools, underfunded state pensions, or disaster relief for rain-flooded, lava-burnt, or wildfire-toasted counties as well as the economic decimation wrought by COVID-19?

Rather than the continual earmarking of revenues, a direct appropriation of general funds would be preferable. Earmarking revenues from any tax type for a particular purpose decreases transparency and accountability.

Next, it should be remembered that revenues diverted for a special purpose, in this case to stuff in DHHL's coffers with a broad mission, will not be counted against the state's spending ceiling or debt limit and will obscure the state's true financial condition.

Digested: 2/3/2024

SB-3213

Submitted on: 1/31/2024 5:42:01 PM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
De MONT Kalai Manaole	Testifying for Ho'omana Pono, LLC	Support	In Person

Comments:

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

SB-3213

Submitted on: 1/31/2024 4:54:21 PM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kade Yam-Lum	Individual	Support	Written Testimony Only

Comments:

To the Senate Committee on Hawaiian Affairs,

My name is [Your Name], and I am a native Hawaiian residing in the beautiful state of Hawaii. I am writing to express my full support for Senate Bill 3213, which aims to address the housing crisis faced by native Hawaiians and increase affordable housing options through the Department of Hawaiian Home Lands (DHHL).

As a native Hawaiian who has been on the DHHL waiting list for several years, I have experienced firsthand the dire need for more housing opportunities for our community. The shortage of affordable housing has had a profound impact on my life and the lives of many other native Hawaiians who are struggling to find a place to call home.

The DHHL was established with the purpose of protecting and improving the lives of native Hawaiians. However, its focus on single-family home development has not kept up with the increasing demand and the changing needs of our community. With over forty thousand applicants on the waiting list, it is clear that more diverse and accessible housing options are necessary.

Senate Bill 3213 acknowledges the urgent need for affordable housing and proposes a solution by allocating one percent of the transient accommodations tax (TAT) to the DHHL for the specific purpose of building housing for individuals on the waitlist. This funding would provide the DHHL with a dedicated and sustainable source of income to address the impact of the high cost of living on native Hawaiians.

The current high cost of living in Hawaii has priced many native Hawaiians out of their homes, forcing them to leave their ancestral lands or live in substandard conditions. By allocating a portion of the TAT to the DHHL, this bill would alleviate the cost burden and create opportunities for native Hawaiians to reside in their lineal homes, contributing to the preservation of our culture and sense of belonging.

I firmly believe that supporting affordable housing initiatives, such as Senate Bill 3213, is not just a matter of social justice, but also an investment in the future of our state. Providing stable and affordable housing for native Hawaiians will foster stronger communities, promote economic growth, and ensure the well-being of our people.

I urge the Senate Committee on Hawaiian Affairs to give favorable consideration to this crucial legislation. It is time to take action and provide real solutions to the housing crisis faced by native Hawaiians. Thank you for your attention to this matter.

Mahalo,

KADE YAM-LUM

SB-3213

Submitted on: 1/31/2024 6:47:04 PM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Justin Silva	Individual	Oppose	Written Testimony Only

Comments:

Requires one per cent of the transient accommodations tax be allocated to the Department of Hawaiian Home Lands for the purposes of building affordable housing for individuals on the DHHL waiting list.

SB-3213

Submitted on: 1/31/2024 7:48:08 PM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Support	Written Testimony Only

Comments:

Strongly support, need more funds to building homes for our native hawaiiians on the waitlist.

SB-3213

Submitted on: 2/1/2024 8:27:21 AM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jan K Makepa	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Jan Makepa a resident of the Wai‘anae Valley homestead and I OPPOSE SB3213 not for the purpose of allocating Transient Taxes but for the purpose of NOT building Multi-Family Dwellings, Rentals or Transitional Housing. Monies should be used for SFD on allocated Hawaiian Homelands.

Mahalo, Jan Makepa

SB-3213

Submitted on: 2/2/2024 10:07:19 AM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

maybe even more than 1%

SB-3213

Submitted on: 2/5/2024 11:12:07 AM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendrick Farm	Individual	Support	Written Testimony Only

Comments:

Please pass this bill

SB-3213

Submitted on: 2/5/2024 5:14:17 PM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenani Gramberg	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support this Bill, though feel the percentage could be higher.

Mahalo,

Kenani Gramberg

SB-3213

Submitted on: 2/6/2024 9:59:05 AM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nancy Jones	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Shimabukuro, Chair Chang, Vice-Chair Fevella, Vice-Chair Hashimoto, and Honorable Committee Members:

My apologies for this late testimony -- I respectfully present this testimony to SUPPORT SB3213, which would require one percent (1%) of the transient accommodations tax be allocated to the Department of Hawaiian Home Lands (DHHL) to build affordable housing for those beneficiaries on its sizeable waiting list.

In 1995, the DHHL “Wait List” totaled approximately 27,000 beneficiaries – and that figure has NEVER decreased. Actually, that number has exploded to approximately 29,000 waiting for residential, agricultural or pastoral leases to be made available. This bill, once passed, and if allowed to complete the “cross over process” for hearing in the House chambers would effectively give DHHL and its waitlisted beneficiaries more housing options – and hopefully shrink that waiting list. As my family and I have ALWAYS maintained, providing housing options for our Native Hawaiian community makes sense not only from a humanitarian standpoint and to partially rectify the injustices committed against Hawaiians, but also frees up housing options for other segments of Hawai`i’s population.

For these key reasons and in the interest of reducing Hawai`i’s DHHL waiting list AND our state’s houseless population, we urge your Committee to please pass SB3213 and allow it to move forward during this Session.

Mahalo for this opportunity to present this testimony supporting SB3213

Nancy A. Jones

PO Box 1462, Wai`anae, HI 96792 / Email: nancyhydroalt@gmail.com

SB-3213

Submitted on: 2/6/2024 10:05:37 AM

Testimony for HWN on 2/6/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Zeb Jones	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Shimabukuro, Chair Chang, Vice-Chair Fevella, Vice-Chair Hashimoto, and Honorable Committee Members:

My apologies for this late testimony – however, I present this testimony SUPPORTING SB3213, which would require one percent (1%) of the transient accommodations tax be allocated to the Department of Hawaiian Home Lands (DHHL) to build affordable housing for those beneficiaries on its lengthy waiting list.

The DHHL “Wait List” totaled approximately 27,000 beneficiaries as of 1995 – and that figure has NEVER decreased. Now, that number has exploded to approximately 29,000 waiting for residential, agricultural or pastoral leases to be made available. This bill, once passed, and if allowed to complete the “cross over process” for hearing in the House chambers would effectively give DHHL and its waitlisted beneficiaries more housing options – and hopefully shrink that waiting list. As my family and I have ALWAYS maintained, providing housing options for our Native Hawaiian community makes sense not only from a humanitarian standpoint and to partially rectify the injustices committed against Hawaiians, but also frees up housing options for other segments of Hawai`i’s population.

For all of these reasons and in order to reduce Hawai`i’s DHHL waiting list AND our state’s houseless population, we urge your Committee to please pass SB3213 and allow it to move forward during this Session.

Mahalo for this opportunity to present this testimony supporting SB3213.

Zebuel “Zeb” C. Jones

PO Box 1462, Wai`anae, HI 96792 / Email: zebbe3442@gmail.com