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**TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS  
ON  
SENATE BILL NO. 1235**

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

**RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS**

The Department of Budget and Finance (B&F) supports the general intent of this bill and offers comments.

Senate Bill (S.B.) No. 1235 amends Act 226, SLH 2022, to: 1) rename and establish the Temporary Public Land Trust Working Group within the Office of the Governor for administrative purposes; 2) redefine the Working Group's role to "have the special purpose of compiling an inventory of all lands in the public land trust"; 3) amend the composition of the Working Group; and 4) appropriate an unspecified amount of general funds for FY 24 and FY 25 to carry out the purpose of the bill, including the hiring of exempt staff.

It should be pointed out that Act 226 outlined two other roles for the Working Group:

- Account for all income and proceeds from the public land trust; and
- Determine the 20 per cent pro rata share of income and proceeds from the public land trust due annually to the Office of Hawaiian Affairs (OHA).

B&F strongly believes that the two other roles are critical in helping to resolve the long-standing pro rata share issue with OHA and recommends that the Committee reinstate the two roles in S.B. No. 1235.

Thank you for your consideration of our comments.



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**RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS**  
Senate Committee on Hawaiian Affairs

February 7, 2023

1:01 PM

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The Administration of the Office of Hawaiian Affairs (OHA) will recommend to the Board of Trustees, **COMMENTS** on SB1235, and a recommendation to the Senate Committee on Hawaiian Affairs to **DEFER SB1235**. SB1235 **alters** a number of elements that is already specified in Act 226, Section 3 specifically, but not limited to: working group composition; time limits for this significant work; the role of the OHA; task assignments; personnel considerations; and the purpose, by indicating the “...special purpose of compiling an inventory of all lands in the public land trust<sup>1</sup> and deleting [~~ceded~~]. These alterations are proposed even before further comprehensive planning and collaboratively approaches of the envisioned work group can be implemented with fidelity and intent.

**Section 3 of Act 226 (2022) Clearly Articulates the Intents and Purposes of a Public Land Trust (PLT) Working Group.** SB2021 SD1 HD2 CD1 was signed into law on June 27, 2022 as Act 226 by Governor David Ige, noting specifically: “*SECTION 3. (a) There is established a working group to: (1) Account for all ceded lands in the public land trust inventory; (2) Account for all income and proceeds from the public land trust; and (3) Subsequently determine the twenty per cent pro rata share of income and proceeds from the public land trust due annually to the office of Hawaiian affairs for the betterment of the conditions of Native Hawaiians. (b) The working group shall be comprised of six members, three of whom three [sic] shall be appointed by the governor and three of whom call be appointed by the office of Hawaiian affairs board of trustees. (c) The working group, with the cooperation of any department or agency that uses, manages, or receives income, proceeds, or any other funds derived from the public land trust, shall prepare and submit a report of its findings and recommendation, including any proposed legislation and the amount it determines for the annual amount of the twenty per cent pro rata share of income and proceeds from the public land trust, to the legislature. (d) The office of Hawaiian affairs shall*

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<sup>1</sup> OHA notes that the public land trust inventory is a subset of the “ceded lands” inventory. The OHA notes further that the term “ceded” is used to reference the classification of the lands in discussion and does not imply an acceptance of the illegal overthrow of the Hawaiian monarchy in 1893, the subsequent United States actions of annexation, territorial government and statehood. OHA also further notes and acknowledges that the lands were ceded without the consent of or compensation to the Native Hawaiian people of Hawaii or other sovereign government (P.L. 103-15019)



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*provide any necessary administrative support, including preparation of the report required by subsection (c), to the working group; and”*

**Act 226 (2022) PLT Working Group Members Named.** Via correspondence to then Governor David Ige, the OHA named its three Public Land Trust (PLT) work group members on August 17, 2022<sup>2</sup>. The OHA was notified of Governor Ige’s three PLT work group members on October 19, 2022.<sup>3</sup> The OHA recently contacted Governor Green’s office to confirm if he will be retaining the previously named PLT work group members or name replacements; and the OHA awaits his response.

**Planning and Preparation Work Activated.** As indicated in section (d) above, the OHA’s administrative support has been activated and ready for the initial PLT work group convening to share drafted work group plans and activities and begin the work together, pending Governor Green’s reaffirming or naming of new work group members.

Established by our state’s Constitution,<sup>4</sup> OHA is a semi-autonomous agency of the State of Hawai‘i mandated to better the conditions of Native Hawaiians. Guided by a board of nine publicly elected trustees, all of whom are currently Native Hawaiian, OHA fulfills its mandate through advocacy, research, community engagement, land management, and the funding of community programs. Hawai‘i state law recognizes OHA as the principal public agency in the state responsible for the performance, development, and coordination of programs and activities relating to Native Hawaiians.<sup>5</sup> Furthermore, state law directs OHA to advocate on behalf of Native Hawaiians.<sup>6</sup>

OHA appreciates this opportunity to offer comments on SB1235 and recommends the Senate Committee on Hawaiian Affairs **DEFER SB1235** in support of furthering the implementation of Section 3 of Act 226 (2022) already “in flight”. Mahalo nui loa.

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<sup>2</sup> C. Hulu Lindsey, Chair, Board of Trustees; Mililani Trask, Hawai‘i Island Trustee at the time and now also the Board of Trustees Vice Chair; and Sherry P. Broder, Esq

<sup>3</sup> Neal Miyahira, Department of Budget and Finance; Neil Takekawa, Department of Transportation – Harbors; and Ryan Kanaka‘ole, Department of the Attorney General

<sup>4</sup> HAW. CONST., art. XII, §5 (1978).

<sup>5</sup> Haw. Rev. Stat. § 10-3(3).

<sup>6</sup> Haw. Rev. Stat. § 10-3(4).

February 2, 2023

To: Senator Maile S.L Shimabukuro, Chair  
Senator Kurt Fevella, Vice Chair  
Hawaiian Affairs Senate Committee Members

From: Malama Solomon PH.D., Former State Senator and Former Office of Hawaiian Affairs  
Trustee, Island of Hawai'i

Mahalo a nui loa for this opportunity to express strong support for the passage of Senate Bill 1235, Relating to the Office of Hawaiian Affairs and in particular, to establish and provide appropriations for a Temporary Public Land Trust working group within the Office of the Governor for administrative purposes only whose sole purpose shall be to compile a definitive inventory of Public Trust Lands.

In the 1990s under the leadership of Senate President Richard Wong, the House and Senate established an AD HOC with the assistance of The Attorney General's Office, I Co-Chaired this Committee, with Representative Calvin Say. The Committee shut itself down because the Department of Land and Natural Resources was unable to produce a complete inventory of the Public Lands Trust. The Office of Hawaiian Affairs did their inventory, Trustee Rowena Akana was the Chair.

Under Governor Abercrombie's Administration, the legislature included in their budget 10 million Dollars to DLNR to upgrade the land management computer Software to create an Inventory of the Public Land Trust. However, no language was included in the budget proviso to direct other Agencies to work with DLNR therefore inventory was difficult to complete. The language included in this Bill on page 3 lines 14 through line 20 is critical to get an accurate accounting of the Public Land Trust.

Moreover, this language reminds State Agency's they do not own said properties if the land is not being used or managed properly and it should be returned to the Public Land Trust Inventory.

For 50-plus years I have represented and worked with a large number of Hawaiian and non-Hawaiian voters and community groups who are in support of the passage of this Senate Bill 1235 for reasons as stated in this testimony.

This Bill is broadly based and it serves the best interest of political transparency for the State's Leadership and the public's right to know, the details of the Public Lands Trust inventory.

This information is necessary for our State's homeland's economic security present and future, the Public Land Trust Inventory is the main component to address the affordable housing crisis, throughout our State and to insure our future generations will be allowed to own a home, live and work in their homeland.

As Taxpayers, we deserve a better understanding of the values of these fixed assets and whose purpose is to be used to better the economic-social conditions of the residents of the State of Hawaii and to give the Hawaiian people their entitlements and their right to self-determination.

I look forward to the urgent and fiduciary responsibility to be executed by this 2023 Legislature to expedite a favorable affirmation of Senate Bill 1235, beginning with this honorable body.

Me Ke Aloha,

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