STAND. COM. REP. NO. 2018

Honolulu, Hawaii

ΔPR 04 , 2025

RE: S.B. No. 903

S.D. 2 H.D. 2

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Finance, to which was referred S.B. No. 903, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds to the Office of Hawaiian Affairs for the hiring of necessary staff and purchase of equipment and professional services on behalf of the Public Land Trust Working Group.

Your Committee received testimony in support of this measure from two individuals.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed H.D. 2, which:

- (1) Deletes the appropriation to the Office of Hawaiian Affairs;
- (2) Amends the membership and responsibilities of the Working Group, with the responsibilities to include accounting for all ceded lands and income and proceeds from the public land trust and determining the Office of

Hawaiian Affairs' annual pro rata share of income and proceeds from the public land trust;

- (3) Requires the Working Group to submit reports to the Legislature;
- (4) By October 1, 2027, requires the State, Office of Hawaiian Affairs, and other applicable parties to begin preliminary negotiations regarding the final draft settlement of the Office of Hawaiian Affairs' pro rata share of income and proceeds from the public land trust;
- (5) Appropriates \$500,000 for fiscal years 2025-2026 and 2026-2027 to the Legislative Reference Bureau to retain independent third-party professionals for the purposes of Act 226, Session Laws of Hawaii 2022, subject to matching funds from the Office of Hawaiian Affairs; and
- (6) Makes the measure effective upon its approval, with the appropriation effective on July 1, 2025.

Your Committee received testimony in opposition to the proposed H.D. 2 from the Office of Hawaiian Affairs. Your Committee received comments on the proposed H.D. 2 from the Legislative Reference Bureau.

Your Committee notes that some of the parties expressed interest that the Public Land Trust Working Group determine:

- (1) The process of calculating the total amount owed to clear all future claims of Office of Hawaiian Affairs against the State; and
- (2) A process by which the Office of Hawaiian Affairs may negotiate a master settlement with the State.

Your Committee has amended this measure by adopting the proposed H.D. 2 and further amending the measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 903, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 903, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 2018

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB903, SD2, HD1	Committee Referral:	Da	4/2/2	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)				
2. TAKENOUCHI, Jenna (VC)		The Market		Sextellori - 157 - 100 - 110
3. GRANDINETTI, Tina Nakada 4. HOLT, Daniel		Samuel Committee of the		
4. HOLT, Daniel5. HUSSEY, Ikaika				
6. KEOHOKAPU-LEE LOY, Sue L		PURE CONTRACTOR OF THE		
7. KITAGAWA, Lisa				
8. KUSCH, Matthias		ESSE STREET		Ritariis Norza and Tradicional
9. LAMOSAO, Rachele F.		Figure 1985 Part Pa		Reserved Train
10. LEE, Mike				(10 to 10 to
11. MIYAKE, Tyson K.			e empuse en mercen. Se e establish	A CONTRACTOR OF THE STATE OF TH
12. MORIKAWA, Dee			William Willia	
13. TEMPLO, Shirley Ann		The second secon		Miles and the second
14. ALCOS III, David				
15. REYES ODA, Julie				
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TOTAL (M) 15		L£		\sim
	ed θ Not Adopted			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acrosym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				