

TESTIMONY IN SUPPORT OF HOUSE BILL 295 RELATING TO HAWAIIAN HOME LANDS

House Committee on Housing Hawai'i State Capitol

February 5, 20259 AMConference Room 430Dear Chair Evslin, Vice Chair Miyake and members of the House Committee on Housing:

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB295**, which proposes amendments to the Hawaiian Homes Commission Act (HHCA), to include a new section titled, "Beneficiaries on waitlist; successors." The new section provides, in relevant part, that "a living beneficiary's place on the department of Hawaiian home lands' waitlist for any residential, agricultural, or pastoral tract available pursuant to this Act may be designated for transfer to a successor if the living beneficiary dies before receiving an offer for a tract; provided that the successor shall be at least one twenty-five Hawaiian." OHA stands in strong support of this amendment.

As exemplified by the class action lawsuit and the \$328 million settlement in *Kalima, et al. v. State, et al.*,¹ there is a long, well-documented history of DHHL beneficiaries on the waitlist passing away before securing a homestead. However, that settlement is limited to certain class members and monetary compensation does not address difficult situations where successors could have inherited a homestead lease had the DHHL applicant vested their lease interest, but do not have sufficient blood quantum to access the waitlist themselves. This amendment would ensure that intergenerational inequities are not compounded by enabling children and other immediate relatives of HHCA beneficiaries who die while on the waitlist to succeed to the land that their family member was never able to rightfully inhabit and enjoy while alive. This is a matter of basic fairness.

Moreover, expanding the list of qualified applicants will assist with expanding housing opportunities for Native Hawaiians. As documented elsewhere, housing is an important pathway to economic stability and intergenerational wealth generation. A 2017 HUD report on housing needs of Native Hawaiians noted:

¹ Kalima, et al. v. State, et al., Civil No. <u>99-4771-12</u> LWC (First Cir. Haw.). https://dhhl.hawaii.gov/kalima/; https://www.kalima-lawsuit.com/.

"Overall, the Native Hawaiian population faces greater levels of disadvantage than the residents of Hawaii population, and HHCA beneficiary households on the waiting list for homestead leases on the Hawaiian home lands face even larger challenges. By contrast, Native Hawaiians currently living on the Hawaiian home lands have higher incomes and face housing affordability issues less often."²

The benefits of home and land ownership originally envisioned upon passage of the HCCA rightfully belong to successors as well as original HHCA qualified applicants.

Finally, the average age of waitlist applicants continues to rise, illustrating again that HHCA beneficiaries continue to age and die on the list. In 2020, the median age of DHHL applicants was 59 years compared to 57 in 2014, with 35% of applicants over the age of 65, a four-percentage point increase since 2014.³ With each iteration of the study, the number of applicants in the lower age ranges decreases while the proportion of applicants in the upper age ranges continues to increase.⁴ Given the ever increasing age of waitlist beneficiaries, death on the waitlist will continue to be a problem and the solution contained in HB295 will continue to be needed. This is especially true as between 2018 and 2023 the number of beneficiaries on the waitlist grew from 28,306 to 29,296, an increase of approximately 3.5%; faster than the 1.13% rate at which lots were awarded. ⁵

OHA notes that there is long-standing precedent for DHHL making amendments to allow certain successors with at least 25% Hawaiian ancestry to have the ability to succeed to a homestead lease, as can be seen in amendments to Section 209 of the HHCA, which allows for the designation of certain relatives as successors, including lowering the Hawaiian blood quantum requirement to 25% for spouses and children in 1986, for grandchildren in 1997, and, for brothers, or sisters in 2005.⁶ OHA does note that the bill does not currently define a "qualified application successor," besides requiring 25% Hawaiian blood quantum. **OHA suggests that the term be defined, using prior amendments to the HHCA Section 209 as guidance**

For the foregoing reasons, OHA stands in strong support of HB295 and urges the Legislature to **PASS HB295** with consideration of the above comments. Mahalo nui loa.

² U.S. Department of Housing and Urban Development, Office of Policy Development and Research. Housing Needs of Native Hawaiians: A Report from the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs at xviii. https://www.huduser.gov/portal/sites/default/files/pdf/HNNH.pdf.

³ Ibid. at 12.

⁴ Ibid.

⁵ Department of Hawaiian Homelands. DHHL 2018, 2019, 2020, 2021, 2022, & 2023 Annual Reports. https://dhhl.hawaii.gov/newsroom/annual-reports/.

⁶ Designating Successors Q&A. https://dhhl.hawaii.gov/lessee-information/designating-successors-qa/.

JOSH GREEN, M.D. GOVERNOR STATE OF HAWAII Ke Kia'äina o ka Moku'äina 'o Hawai'i

SYLVIA J. LUKE LT. GOVERNOR STATE OF HAWAII Ka Hope Kia'äina o ka Moku'äina 'o Hawai'i



KALI WATSON CHAIRPERSON, HHC Ka Luna Hoʻokele

KATIE L. LAMBERT DEPUTY TO THE CHAIR Ka Hope Luna Ho'okele

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

Ka 'Oihana 'Āina Ho'opulapula Hawai'i P. O. BOX 1879 HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIR HAWAIIAN HOMES COMMISSION BEFORE THE HOUSE COMMITTEE ON HOUSING HEARING ON FEBRUARY 4, 2025 AT 9:00AM IN CR 430

HB 295, RELATING TO HAWAIIAN HOME LANDS

February 5, 2025

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) submits <u>comments</u> on this bill which provides that a living beneficiary's place on the Department of Hawaiian Home Land's waitlist for any residential, agricultural or pastoral tract may be designated for transfer to a successor if the living beneficiary dies before receiving an offer for a tract; provided that the successor shall be at least 1/25 Hawaiian.

While DHHL appreciates the intent of this bill, there are several concerns. Section 10-3-7 of the Hawaii Administrative Rules relating to priority and preference for the award of leases notes that "applicants shall be considered for award in the order in which their completed applications were received by the department." In other words, waiting list priority has historically been by chronological application date.

Furthermore, any such program must ensure that any qualified successor of a beneficiary who died while on the waiting list is native Hawaiian, defined by the Hawaiian Homes Commission Act as DHHL is authorized to issue leases to native Hawaiians pursuant to section 207(a) of the Hawaiian Homes Commission Act, 1920, as amended.

Lastly, DHHL engages in beneficiary consultation before conducting any chapter 91 rule-making. It can take DHHL up to two years to fully complete the rule-making process.

Thank you for your consideration of our testimony.

<u>HB-295</u> Submitted on: 2/3/2025 9:02:38 AM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Hawaii Self Advocacy	Hawaii Self-Advocacy	Support	Written Testimony
Advisory Council	Advisory Council		Only

Comments:

The Hawaii Self-advocacy Advisory Council supports HB295

<u>HB-295</u> Submitted on: 2/3/2025 1:40:12 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Judi Chang	Individual	Support	Written Testimony Only

Comments:

I support this bill

Submitted on: 2/3/2025 2:43:48 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Individual	Support	Written Testimony Only

Comments:

I STRONGLY SUPPORT this BIll to allow the State to fulfill its obligation to the Hawaiian community. I urge all members of the Committee to **VOTE YES** on this Bill.

HB-295 Submitted on: 2/3/2025 3:26:35 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Support	Written Testimony Only

Comments:

I support this bill. Mahalo!

Submitted on: 2/3/2025 3:37:15 PM Testimony for HSG on 2/5/2025 9:00:00 AM

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

Comments:

I SUPPORT HB295. Reasons:

- Cost of living is so high in Hawaii and why many residents are documented to be leaving.
- Essentials such as food and groceries should be exempt from the general excise tax.
- Expands the 2024 session law to include exemptions for ALL medical and dental services.

S Jones

HB-295 Submitted on: 2/3/2025 6:28:37 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committiee Members,

The waitlist for the Hawaiian Homelands programs is a scandal. We've got to do more to alleviate the disgraceful management of this program. I believe this proposal is an important step to remedy this tragedy.

I urge this Committee to SUPPORT this bill!

HB-295 Submitted on: 2/3/2025 9:17:31 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mai Hall	Individual	Support	Remotely Via Zoom

Comments:

Aloha,

My name is Mai Hall, and I'm testifying as a Kanaka Maoli. I support HB295 Relating to Hawaiian Home Lands. I agree that a tract of land should be transferred to a successor if the living beneficiary passes away before receiving an offer.

Too many Hawaiians have died waiting on the DHHL list. My mother put her name on the Hawaiian Homestead List in 1985, making this her 40th year waiting for a home. She is still waiting. She turns 70 years old this year. She deserves a little piece of 'āina, a home with a yard to grow a little garden with ti leaves and 'ōlena. She had always dreamed of leaving behind something, anything to give to her children, my sisters and I. Please make her dream a reality by allowing her to take care of us. By passing down this little piece of land. Mahalo

HB-295 Submitted on: 2/3/2025 10:44:46 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Mailo	Individual	Support	Written Testimony Only

Comments:

I SUPPORT HB295. Reasons:

Cost of living is so high in Hawaii and why many residents are documented to be leaving. Essentials such as food and groceries should be exempt from the general excise tax. Expands the 2024 session law to include exemptions for ALL medical and dental services.

HB-295 Submitted on: 2/4/2025 7:06:52 AM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
gary burbage	Individual	Support	Written Testimony Only

Comments:

Essentials such as food ad groceries should be exempt from the general excise tax.

Submitted on: 2/4/2025 10:35:54 AM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
arielle adenew	Individual	Support	Written Testimony Only

Comments:

I support HB 295 for the following reasons:

- Cost of living is so high in Hawaii and why many residents are documented to be leaving.
- Essentials such as food and groceries should be exempt from the general excise tax.
- Expands the 2024 session law to include exemptions for ALL medical and dental services.

Mahalo & Aloha

<u>HB-295</u>

Submitted on: 2/4/2025 2:38:26 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cameo Fong	Individual	Support	Written Testimony Only

Comments:

I support allowing beneficiaries on a wait list to assign a successor of 1/25 Hawaiian to receive the Beneficiary's land should they die before receiving their benefit.

Cameo Fong

<u>HB-295</u>

Submitted on: 2/4/2025 4:05:41 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chanara Casey Richmond	Individual	Support	Written Testimony Only

Comments:

Please pass this resolution. Chanara Richmond HD 42

<u>HB-295</u>

Submitted on: 2/4/2025 4:38:41 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
L Toriki	Individual	Support	Written Testimony Only

Comments:

I am in full support of this measure as it is pono

Submitted on: 2/4/2025 5:32:37 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kehaunani Andrade	Individual	Support	Written Testimony Only

Comments:

I AM IN FULL SUPPORT OF HB295 to allow a living beneficiary's place on the Department of Hawaiian Home Land's waitlist for any residential, agricultural or pastoral tract may be designated for transfer to a successor if the living beneficiary dies before receiving an offer for a tract; provided that the successor shall be at least 1/25 Hawaiian.

Submitted on: 2/4/2025 5:40:48 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dayne Duke Kealanahele	Individual	Support	Written Testimony Only

Comments:

Aloha!

Mahalo for the opportunity to submit testimony on this measure. I am writing to express my support for HB295. I believe this measure will assist with current housing issues in our state, and further address injustices that occurred within families with waitlisters who have passed without a 50% successor to take their spot on the list.

Mahalo!

Submitted on: 2/4/2025 6:47:32 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Beth Chun	Individual	Support	Written Testimony Only

Comments:

The children of Hawaiian parents need this change so that Hawaiian lands can finally be passed from parents to their children or family member with the 1/25 Hawaiian bloodline

Submitted on: 2/4/2025 7:06:57 PM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marilyn Moniz	Individual	Support	Written Testimony Only

Comments:

We must do all we can to award Native Hawaiians families their benefits especially if they pass away unfulfilled.

<u>HB-295</u>

Submitted on: 2/5/2025 7:16:46 AM Testimony for HSG on 2/5/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Anuhea Macariola	Individual	Support	Written Testimony Only

Comments:

My father died on the waitlist.