



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION · DEPARTMENT OF HAWAIIAN HOME LANDS

NEWS RELEASE

FOR IMMEDIATE RELEASE

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DEPARTMENT OF HAWAIIAN HOME LANDS REMAINS FOCUSED ON CLOSING FUNDING GAP IN LIGHT OF GOV. IGE'S \$17.1M PROPOSAL FOR FISCAL YEAR 2016

KAPOLEI, HAWAII – Today, Governor David Ige announced his administration's proposal to amend DHHL's operating budget request for fiscal year 2017 from \$9.6 million to \$23.5 million in general funding, \$17.8 million provided directly to DHHL and \$5.7 million to Budget & Finance to cover fringe benefits for DHHL employees. The Governor's message also included a recommended level of \$17.1 million in general funds to reimburse DHHL for administrative and operating expenses paid in FY 16, the current fiscal year, with departmental resources including special and trust funds. This comes following a court order to make sufficient sums available to DHHL for its administrative and operating expenses.

"This is definitely a positive step in the right direction, and the Department of Hawaiian Home Lands will capitalize on this momentum as we continue to work with the Legislature to close the gap before the end of this legislative session," said Jobie Masagatani, Hawaiian Homes Commission Chairman and Director of the DHHL.

In November 2015, Castagnetti's ruling in *Nelson v. Hawaiian Homes Commission* ordered the legislature provide sufficient funding to DHHL by appropriating more than \$28.4 million in general funds for administrative and operating expenses in fiscal year 2015-16, as mandated by article XII, section 1 of the Hawai'i State Constitution.

Judge Castagnetti amended the court order in March 2016 stating, "To be clear, the Court is not ordering an appropriation. The Court is, however, ordering that the State must comply with its constitutional duty

to make sufficient sums available to the Department of Hawaiian Home Lands for its administrative and operating budget. There is still time for the State to become in compliance during this fiscal year.”

The Nelson case began in 2007 when six native Hawaiian beneficiaries filed suit against the state for failure to appropriate sufficient sums to DHHL for administrative and operating expenses, as mandated by article XII, section 1 of the Hawai‘i State Constitution. The lawsuit was filed in response the State not providing general funds to the department from 2009 – 2012. In 2012, the Hawai‘i Supreme Court ruled in favor of the plaintiffs Richard “Dickie” Nelson III, Keli‘i “Skippy” Ioane, Sherilyn Adams, Kaliko Chun, James Akiona, and Charles Aipia.

For the last three years, the legislature has appropriated \$9.6 million in general funds to the DHHL, nearly one-third the amount determined in the Nelson case ruling by Judge Castagnetti.

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