

State senator asks for federal investigation of DHHL

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State Senate Minority Leader Kurt Fevella is asking the U.S. Justice and Interior departments to investigate the state Department of Hawaiian Home Lands on claims that it has mismanaged its funds and misled the public and legislators.

Fevella, at a news conference Monday at the state Capitol, said DHHL hasn't spent its legislative funds appropriately to address the more than 28,000 Hawaiians still awaiting homestead lots. A point of contention for Fevella (R, Ewa Beach-Iroquois Point) was the agency's proposal to build a casino on DHHL land to generate money for the program. Fevella helped lead community protests in opposition to the plan to grant an exception to Hawaii's ban on gambling, which ultimately died in the Legislature.

Fevella and Robin Danner,

chairwoman of the Sovereign Council of Hawaiian Homestead Associations, the largest statewide organization of beneficiaries, said the DHHL has sufficient funds to build more homestead lots and that the agency's money and land should be directed toward putting Hawaiians back on their lands, not invested or used for any other purposes. They said money is not the problem. Rather, the mismanagement of DHHL's funds has stalled building more homestead lots, they said.

"The bottom line is, we have to stop the bleeding," Fevella said. "They should be accountable because they work for the people of Hawaii and the beneficiaries on the list. I want this to be investigated to the full extent of the law."

DHHL Director and Hawaiian Homes Commission Chairman William Aila Jr. disputed allegations that the agency has mismanaged its funds. Aila also said the

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move to create an endowment from some money that DHHL receives from a 1995 settlement was authorized by the Legislature at the time. Some of the settlement money was also used to develop more than 4,000 homestead lots, he said.

"At the time, the Legislature was very deliberate in wanting DHHL to seek out a steady availability of capital to fund the program," Aila said in a statement. "It's the department's intention to fully implement this authorization and continue to work with the state."

Aila cited as progress nearly 10,000 homestead leases created since the Hawaiian Homes Commission

Act, which set aside about 203,000 acres of former crown and governments lands in the Hawaiian kingdom for homesteads and was signed into law 100 years ago.

He has previously said that the department's challenges are due to a lack of resources. Aila added that "this commission, as well as previous commissions, has acted prudently in its fiduciary responsibility of this trust to ensure that homestead lots are developed in perpetuity."

Fevella said he sent letters to the local offices of the Justice and Interior departments and will seek help from Hawaii's congressional



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delegation to expedite an investigation. He also plans to introduce three bills next year that seek to make policy changes to DHHL. Although the bills did not pass in previous sessions, Fevella said he will make some changes designed to give the bills more traction. Danner added that three of the most important proposals in the bills would require that five of the nine Hawaiian Homes commissioners be beneficiaries on the wait list, establish a statewide inter-agency council for department heads to discuss ways to advance the Hawaiian Homes Commission Act, and separate the DHHL director and commission

chairman roles.

"We have 28,000 families on the wait list that need the money that was appropriated by the Legislature to build infrastructure, to build roads, to install power and water, and then to issue land to the wait list," Danner said. "The good news is, it's fixable. The Hawaiian Homes program can be an incredible windfall to our state's economy, to good construction jobs, to the real-estate industry, to the growth of family-based agriculture in Hawaii. And, the good news is, this program is achievable right here, in this building, within the walls of the legislative branch of our government."

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