
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the mission of the
2 department of Hawaiian home lands is to develop and deliver land
3 to native Hawaiians. The trust, created by Congress through the
4 Hawaiian Homes Commission Act, 1920, as amended (HHCA), set
5 aside lands to be used for the benefit of native Hawaiians.

6 As required by the Admission Act and as a compact with the
7 United States, the State of Hawaii and the people of Hawaii
8 adopted the HHCA as a provision of the Hawaii State Constitution
9 and agreed to faithfully carry out the spirit of the HHCA for
10 the rehabilitation of the Hawaiian race. These trust
11 responsibilities remain to this day.

12 The legislature also finds that today, the department of
13 Hawaiian home lands is responsible for the management of 203,500
14 acres of trust lands, 9,959 homestead leases statewide, and
15 44,096 lease applications. However, over 28,700 applicants
16 remain on the waitlist for residential, agricultural, or
17 pastoral leases.



1 The challenges faced by the department of Hawaiian home
2 lands in fulfilling its mission are multi-faceted, and include
3 but are not limited to:

4 (1) Availability of beneficiary-preferred land. The
5 greatest demand, and subsequently, the longest waiting
6 list, is for residential property on Oahu. However,
7 the department of Hawaiian home lands' land holdings
8 on Oahu represent only three per cent of its total
9 lands;

10 (2) Cost of infrastructure. Preparing the department's
11 lands for homesteading with adequate roads, water,
12 sewer drainage, electrical, and other necessities
13 requires a steady source of funding to ensure that
14 environmental compliance, planning, design, and
15 construction phases are coordinated; and

16 (3) Capital for mortgage financing. With one of the
17 highest costs of living in the nation, department of
18 Hawaiian home lands beneficiaries also face the
19 challenging issue of obtaining capital for mortgages
20 to build homes and reside on trust lands.



1 The legislature further finds that the revenues collected
2 by the State as of fiscal year 2021 provide an unprecedented
3 opportunity to ensure critical long term access to adequate
4 funding for the department of Hawaiian home lands to meet its
5 challenges. Accordingly, the purpose of this Act is to provide
6 a multi-pronged approach to eliminating its waitlist.

7 SECTION 2. The department of Hawaiian home lands may
8 expend the funds appropriated pursuant to section 6 of this Act
9 to:

- 10 (1) Develop lots or units;
- 11 (2) Purchase available land or units;
- 12 (3) Provide funding for an applicant on the waiting list
13 or a qualified relative of the applicant similar to
14 the qualified relative of a lessee as referenced in
15 section 208(5) of the Hawaiian Home Commission Act of
16 1920, as amended, who does not own a principal
17 residence to purchase;
- 18 (4) Provide a mortgage or rental subsidy to the applicant
19 on the waiting list for the applicant's principal
20 residence in the State; and



1 (5) Other services as necessary to address the waiting
2 list.

3 SECTION 3. The department of Hawaiian home lands is
4 authorized to prioritize and determine the amount of assistance
5 under this Act according to the income or receipt of other funds
6 by the applicant or qualified relative, including wages,
7 litigation settlement proceeds, and other moneys received by the
8 applicant or qualified relative.

9 SECTION 4. (a) The department of Hawaiian home lands
10 shall develop a strategic plan to address the following
11 applicant preferences reflected in the 2020 Beneficiaries Study
12 Applicant Report:

13 (1) Seventy-six per cent of individuals on the department
14 of Hawaiian home lands waiting list who prefer a lot
15 with a single-family home or a vacant lot for a house;
16 and

17 (2) Sixteen per cent of individuals on the department of
18 Hawaiian home lands waiting list who prefer to rent or
19 rent-to-own a single-family home, duplex, apartment,
20 or townhouse, with the option to buy in the future.



1 (b) The strategic plan shall be divided by county and
2 include recommended waiting list policies detailing when
3 homeowner-applicants receive mortgage or down payment assistance
4 from the department of Hawaiian home lands and renter-applicants
5 who opt to continue to reside in their existing rental housing
6 or future rental housing developed for the department of
7 Hawaiian home lands.

8 (c) The department of Hawaiian home lands shall submit the
9 strategic plan, including findings, recommendations, and any
10 proposed legislation, to the legislature no later than
11 December 10, 2022.

12 SECTION 5. The department of Hawaiian home lands shall
13 submit an annual report to the legislature on the first day of
14 each regular session that includes:

15 (1) An accounting of the expenditures for the purposes of
16 this Act in the previous fiscal year; and

17 (2) The number of applicants on the waiting list assisted.

18 SECTION 6. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$600,000,000 or so
20 much there of as may be necessary for fiscal year 2021-2022 for
21 the purposes of this Act; provided that any moneys not



1 encumbered for specific purposes shall lapse to the general fund
2 on June 30, 2025.

3 The sum appropriated shall be expended by the department of
4 Hawaiian home lands for the purposes of this Act.

5 SECTION 7. The expenditure of funds, and programs to
6 expend funds, under this Act shall be exempt from any rulemaking
7 requirements of chapter 91, Hawaii Revised Statutes.

8 SECTION 8. If any provision of this Act, or the
9 application thereof to any person or circumstance, is held
10 invalid, the invalidity does not affect other provisions or
11 applications of the Act that can be given effect without the
12 invalid provision or application, and to this end the provisions
13 of this Act are severable.

14 SECTION 9. This Act shall take effect upon its approval.



H.B. NO. 2511
H.D. 2
S.D. 2
C.D. 1

Report Title:

DHHL; Report; Appropriation

Description:

Provides funds to the department of Hawaiian home lands to pursue a multi-pronged approach to eliminating its waitlist. Requires the department of Hawaiian home lands to develop a strategic plan to address applicant preferences. Requires an annual report. (CD1)

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