

GOV. MSG. NO. 1382

EXECUTIVE CHAMBERS

DAVID Y. IGE GOVERNOR

7/11/2022

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-First State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on 7/11/2022, the following bill was signed into law:

HB2511 HD2 SD2 CD1

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS. ACT 279

Sincerely,

And M

DAVID Y. IGE Governor, State of Hawai'i

Approved by the Governor JUL 1 1 2022 ORIGINAL

ACT 279

HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2022 STATE OF HAWAII

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

## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

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

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

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1	The	challenges faced by the department of Hawaiian home
2	lands in	fulfilling its mission are multi-faceted, and include
3	but are n	ot 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.

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1	The	legislature further finds that the revenues collected
2	by the St	ate as of fiscal year 2021 provide an unprecedented
3	opportuni	ty to ensure critical long term access to adequate
4	funding f	or the department of Hawaiian home lands to meet its
5	challenge	s. Accordingly, the purpose of this Act is to provide
6	a multi-p	ronged approach to eliminating its waitlist.
7	SECT	ION 2. The department of Hawaiian home lands may
8	expend th	e 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

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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 applicant preferences reflected in the 2020 Beneficiaries Study 11 12 Applicant Report: Seventy-six per cent of individuals on the department 13 (1) 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.

(5) Other services as necessary to address the waiting

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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

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

3 The sum appropriated shall be expended by the department of4 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.

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

APPROVED this 11th day of July , 2022

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GOVERNOR OF THE STATE OF HAWAII



### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

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Date: May 5, 2022 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

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Scott K. Saiki Speaker House of Representatives

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Brian L. Takeshita Chief Clerk House of Representatives

### THE SENATE OF THE STATE OF HAWAI'I

Date: May 5, 2022 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.

President of the Senate

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Clerk of the Senate