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# 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 in 1921, Congress  
2 enacted the Hawaiian Homes Commission Act, 1920 (HHCA), which  
3 created a land trust intended to rehabilitate displaced native  
4 Hawaiian people by enabling them to lease residential,  
5 agricultural, or pastoral homestead land from the trust for one  
6 dollar per year. When the Territory of Hawaii became a state in  
7 1959, the State promised to take responsibility for the  
8 management and disposition of the Hawaiian Homes Commission Act,  
9 1920. In the years that followed, the State struggled to carry  
10 out its duties and obligations as a trustee.

11           To date, more than two thousand native Hawaiian  
12 beneficiaries have died while on the waiting list for a Hawaiian  
13 home land lease, and twenty-eight thousand beneficiaries  
14 currently remain on the list, half of which are over the age of  
15 sixty. Additionally, the department of Hawaiian home lands  
16 recently estimated that to house all beneficiaries on the



1 waitlist, cost projections range between \$4,000,000,000 to  
2 \$12,000,000,000 for infrastructure alone.

3       The legislature finds that eliminating the waitlist for the  
4 department of Hawaiian home lands has not been made a priority  
5 in past and current administrations. The State's lack of effort  
6 to address the waiting list for a home land lease and  
7 mismanagement of the trust have caused native Hawaiian  
8 beneficiaries to languish. In 2009, the first circuit court  
9 found in *Kalima v. State of Hawaii* that the State breached its  
10 trust duties to keep and render accounts, exercise reasonable  
11 care and skill, administer the trust, and make the trust  
12 property productive. The circuit court also found that these  
13 breaches caused eligible native Hawaiians to remain on the  
14 waiting list for a home land lease and suffer damages as a  
15 result.

16       Further, in 2015, the first circuit court held in *Nelson*  
17 *III v. Hawaiian Homes Commission*, that the State "must comply  
18 with its constitutional duty to make sufficient sums available  
19 to the [d]epartment of Hawaiian [home lands] for its  
20 administrative and operating budget". Additionally, the first



1 circuit court ruled that the State underfunded the department of  
2 Hawaiian home lands by approximately \$28,000,000 per year.

3 On February 26, 2002, the Hawaiian homes commission  
4 approved the general plan prepared by the department of Hawaiian  
5 homelands. While the general plan includes an emphasis on the  
6 management of their existing land inventory, the general plan  
7 does not make explicit mention of providing lot development on a  
8 trajectory that will extinguish the waitlist. In addition, the  
9 department sought to generate \$30,000,000 in land revenues  
10 annually (adjusted for inflation) by 2014 and use no more than  
11 one per cent of Hawaiian home lands for commercial and  
12 industrial uses by 2014. The department has not accomplished  
13 either of those objectives.

14 The department of Hawaiian home lands planning office  
15 provides a long-term and comprehensive perspective that supports  
16 the Hawaiian homes commission, the department, and its  
17 beneficiaries in realizing the mission, goals, and objectives of  
18 the Hawaiian homes commission act. The planning system  
19 functions in three tiers:

20 (1) The general plan that provides a statewide, twenty-  
21 year timeframe that identifies the long-term goals,



1 articulates the vision, and organizes priorities for  
2 the department and the commission;

3 (2) The strategic program plans (statewide with a three-  
4 to six-year timeframe) and the island plans (regional  
5 twenty-year timeframe) focus on statewide programs and  
6 policies, as well as island-specific land use  
7 projections; and

8 (3) Regional plans (focused on developed areas with a two  
9 to four-year timeframe) and development plans (focused  
10 on undeveloped areas with a ten-year timeframe).

11 The associated island, strategic, regional, and developmental  
12 plans flow from these general plan guiding objectives.

13 A May 2017 report from the United States Department of  
14 Housing and Urban Development finds that the department of  
15 Hawaiian home lands' "shift to more expensive housing  
16 development may have exacerbated the problem of people staying  
17 on the waiting list for extended periods of time." The report  
18 also finds that even if beneficiaries are offered a land lease  
19 during the past twenty years, beneficiaries have not accepted  
20 land leases because they have been unable to secure the  
21 necessary mortgage loan for the home on the property, among



1 other reasons. The department of Hawaiian home lands has also  
2 failed to aggressively pursue diversification of housing awards  
3 for multifamily complexes, rentals, kupuna housing, and  
4 supplemental dwelling units, in addition to turnkey style  
5 housing.

6 The purpose of this Act is to require the department of  
7 Hawaiian home lands to develop a long-term strategic plan based  
8 on a comprehensive assessment of the needs of the waitlist  
9 population with the objective of eliminating the waiting list  
10 for a home land lease.

11 SECTION 2. (a) The department of Hawaiian home lands  
12 shall develop a strategic plan to devise and implement long-term  
13 strategies and solutions to eliminate the waiting list for a  
14 home land lease based on a comprehensive assessment of needs and  
15 resources of beneficiaries who are on the waiting list for a  
16 home land lease. The department of Hawaiian home lands shall  
17 develop its general plan, strategic program plans, island plans,  
18 regional plans, and development plans with the primary objective  
19 of eliminating the department of Hawaiian home lands waitlist.  
20 The plans shall emphasize the department's leverage of trust  
21 resources, statutory powers, and other means of state funding



1 and support to focus on lot development and distribution to  
2 eliminate the waitlist. These plans shall be based on a  
3 comprehensive assessment of the needs of the waitlist and  
4 developed with beneficiary consultation.

5 (b) The department of Hawaiian home lands shall submit a  
6 report of its findings and recommendations, including any  
7 proposed legislation, to the legislature no later than twenty  
8 days prior to the convening of the regular session of 2023.

9 SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

DHHL; Strategic Plan

**Description:**

Requires the department of Hawaiian home lands to develop a strategic plan to devise and implement long-term solutions for eliminating the waiting list for a home land lease with an emphasis on leveraging its trust resources, statutory powers, and other means of state funding and support to focus on lot development and distribution. The plans shall be based on a comprehensive assessment of the needs of the waitlist and with beneficiary consultation. Effective 7/1/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

