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CHAIRMAN
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**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

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TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS
HEARING ON FEBRUARY 7, 2019 AT 1:15PM IN CR 016

SB 1501 RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

February 5, 2019

Aloha Chair Shimabukuro and members of the Committee:

Thank you for the opportunity to testify on Senate Bill 1501, which authorizes the issuance of general obligation bonds and appropriates funds for Department of Hawaiian Home Lands (DHHL) capital improvement projects. The Department greatly appreciates the bill's intent of appropriating CIP funding for DHHL.

The Hawaiian Homes Commission approved the "Sufficient Sums" biennium budget request, which DHHL submitted to the Governor and the Legislature as detailed in our budget briefing testimony that can be reviewed at https://www.capitol.hawaii.gov/session2019/testimony/Info_Testimony_WAM-HWN_01-09-19_HHL.pdf. This bill proposes to authorize the issuance of general obligation bonds to fully fund DHHL's "Sufficient Sums" request for lot development, loans, and rehabilitation projects. If funded, this bill will result in the development of over 1300 lots beginning in FY 2020, and mortgage capitalization for gap group and low to moderate income families as well as interim financing for turnkey development. In addition, the needs identified by homestead association and beneficiary leaders at the Puwalu discussion in Maui in August 2018 is also included in this measure. By passing this bill, the state would fund DHHL's "Sufficient Sums" CIP budget request.

Thank you for your consideration of our testimony.

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Unity, Equality, Aloha for all



To: SENATE COMMITTEE ON HAWAIIAN AFFAIRS
For hearing Thursday, February 7, 2019

Re: SB 1501 RELATING TO THE DEPARTMENT OF HAWAIIAN HOME
LANDS.

Authorizes the issuance of general obligation bonds and appropriates
funds for department of Hawaiian home lands capital improvement
projects.

TESTIMONY IN OPPOSITION

Half a Billion dollars for DHHL? SAY WHAT !!!

\$214,918,10 for FY 2019-2020

\$224,169,10 for FY 2020-2021

MAKE OHA PAY FOR DHHL. Do not force 100% of Hawaii's taxpayers
to pay for a program which 95% of us are excluded from solely on
account of race, lacking 50% Hawaiian native blood.

According to its most recent annual statement, The Office of Hawaiian Affairs has assets of more than \$662,000,000.00. OHA can easily afford to pay for the administrative and operational expenses of the Department of Hawaiian Homelands; this legislature has the power to make that happen; and this legislature should do so.

OHA gets nearly all its money from ceded land revenues.

Following Annexation, the Organic Act of 1900, providing a government for the Territory of Hawaii, taking the public lands of Hawaii into trust for the benefit of all the people of Hawaii, and requiring that the revenue from those ceded lands must be used "for education and other public purposes."

Section 5(f) of the statehood Admissions Act says one of the 5 purposes for the use of ceded land revenues: is "... for the betterment of the conditions of native Hawaiians, as defined in the Hawaiian Homes Commission Act, 1920." HHCA defines "native Hawaiians" as people who have at least 50% native blood quantum -- exactly the same requirement for someone to be granted a lease on DHHL land.

Act 273 (1980) says "twenty per cent of all funds derived from the public land trust ... shall be expended by the office of Hawaiian affairs ... for the purposes of this chapter." Act 273 does not say the funds may be invested in an investment portfolio, it says the funds SHALL BE EXPENDED to provide services. Yet OHA seems to think it can grab tens of millions of dollars every year which it then invests or uses for political purposes such as lobbying for the Akaka bill or building a racial registry for "nationbuilding", but OHA fails to provide more than sporadic and inadequate funding for purposes which OHA should be supporting.

OHA currently has over \$662 Million in assets. No other agency of the state government is allowed to squirrel away huge amounts of wealth as a permanent cash stash.

The legislature has the power to command OHA to provide full funding for the administrative and operational expenses of DHHL, including building the infrastructure to support housing development.

The legislature often passes laws compelling OHA to comply with certain requirements or telling OHA what OHA must spend money for. For example, OHA is commanded to obey the state procurement laws, and to cooperate with the state auditor. In recent years the legislature required that OHA must pay for the training program which state government officials are required to attend regarding laws governing "Native Hawaiian rights."

MAKE OHA PAY FOR DHHL. Do not force 100% of Hawaii's taxpayers to pay for a program which 95% of us are excluded from solely on account of race, lacking 50% Hawaiian native blood.

SB-1501

Submitted on: 2/6/2019 2:59:12 AM

Testimony for HWN on 2/7/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Testifying for Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

WE STRONGLY SUPPORT THIS BILL.

SB-1501

Submitted on: 1/30/2019 11:20:33 PM

Testimony for HWN on 2/7/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Doreen Gaspar	Individual	Support	No

Comments: