
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 of 1920, which created
3 a land trust intended to rehabilitate displaced native Hawaiian
4 people by enabling them to lease residential, agricultural, or
5 pastoral homestead land from the trust for \$1 per year. When
6 the Territory of Hawaii became a state in 1959, the State
7 promised to take responsibility for the management and
8 disposition of the Hawaiian Homes Commission Act of 1920. In
9 the years that followed, the State struggled to carry out its
10 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 further finds that eliminating the waitlist
4 for Hawaiian home lands has not been made a priority by past and
5 current administrations. The State's lack of effort to address
6 the waiting list for a home land lease and mismanagement of the
7 trust have caused native Hawaiian beneficiaries to languish. In
8 2009, the first circuit court found in *Kalima v. State of Hawaii*
9 that the State breached its trust duties to keep and render
10 accounts, exercise reasonable care and skill, administer the
11 trust, and make the trust property productive. The circuit
12 court also found that these breaches caused eligible native
13 Hawaiians to remain on the waiting list for a home land lease
14 and suffer damages as a result.

15 Further, in 2015, the first circuit court held in
16 *Nelson III v. Hawaiian Homes Commission*, that the State "must
17 comply with its constitutional duty to make sufficient sums
18 available to the [d]epartment of Hawaiian [home lands] for its
19 administrative and operating budget". Additionally, the first
20 circuit court ruled that the State underfunded the department of
21 Hawaiian home lands by approximately \$28,000,000 per year.



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

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

- 18 (1) The general plan that provides a statewide,
19 twenty-year timeframe that identifies the long-term
20 goals, articulates the vision, and organizes
21 priorities for the department and the commission;



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

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

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

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



1 for multifamily complexes, rentals, kupuna housing, and
2 supplemental dwelling units, in addition to turnkey style
3 housing.

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

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



1 based on a comprehensive assessment of the needs of those
2 beneficiaries on the waitlist and developed with beneficiary
3 consultation.

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

8 SECTION 3. This Act shall take effect on July 1, 3021.



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 7/1/3021. (HD1)

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