

STAND. COM. REP. NO. 111

Honolulu, Hawaii

FEB 09 2023

RE: S.B. No. 741
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Hawaiian Affairs, to which was referred
S.B. No. 741 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION
ACT,"

begs leave to report as follows:

The purpose and intent of this measure is to exclude from any
waiting list maintained by the Department of Hawaiian Home Lands
any lessee or successor who sells or transfers their lease on a
tract of Hawaiian home lands.

Your Committee received testimony in support of this measure
from three individuals. Your Committee received testimony in
opposition to this measure from four individuals. Your Committee
received comments on this measure from the Department of Hawaiian
Home Lands, Hui Kako'o 'Aina Ho'opulapula, Sovereign Council of
Hawaiian Homestead Associations, and one individual.

Your Committee finds that certain native Hawaiians who are
eligible for a lease pursuant to the Hawaiian Homes Commission
Act, 1920, have acquired a lease, sold, or transferred their
interest in the lease, and then placed their name on the waitlist
for a second lease. Because all beneficiaries should be able to
enter the Hawaiian Homes Commission Act program with a reasonable
expectation of eventually receiving a lease, this measure
prohibits lessees who sell or transfer their interest in a



Hawaiian home lands tract from being placed on the waiting list maintained by the Department of Hawaiian Home Lands for an additional lease.

Your Committee has heard the testimony from the Sovereign Council of Hawaiian Homestead Associations and an individual expressing concerns that the measure would unintentionally and permanently deny former lessees who sold or transferred their lease interest due to medical hardships or other extraneous circumstances the ability to ever reapply for a homestead lease.

Therefore, your Committee has amended this measure by:

- (1) Specifying that a lessee or successor is not eligible to return to the waitlist only if they sell their lease for personal gain;
- (2) Establishing a right of first refusal for the Hawaiian Homes Commission on sales or transfers of leases made for personal gain; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee also discussed how "personal gain" could best be defined to satisfy the full intent of this measure. Your Committee notes that the definition of "personal gain" should not be construed to the detriment of families, and your Committee discussed the concept of allowing a seller to submit a reason for their sale for personal gain to the Hawaiian Homes Commission in order to receive a waiver. Your Committee finds that this issue raises concerns that merit further consideration and requests that your Committee on Judiciary, should it deliberate on this measure, further examine those issues and concerns raised by the testifiers on this measure.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 741, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 741, S.D. 1, and be referred to your Committee on Judiciary.





Respectfully submitted on
behalf of the members of the
Committee on Hawaiian Affairs,

A handwritten signature in black ink, consisting of a large, sweeping initial 'M' followed by a smaller, more complex flourish.

MAILE S.L. SHIMABUKURO, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Hawaiian Affairs
HWN

Bill / Resolution No.:* SB 741	Committee Referral: HWN, JDC	Date: 02/02/2023
--	--	----------------------------

The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
SHIMABUKURO, Maile S.L. (C)	✓			
FEVELLA, Kurt (VC)		✗		
IHARA, Jr., Les	✗			
KEOHOKALOLE, Jarrett	✗			
RICHARDS, III, Herbert M. "Tim"		✗		
TOTAL	3	2	-	-

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes