A BILL FOR AN ACT

RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED.

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

SECTION 1. Section 201 of the Hawaiian Homes Commission Act, 1920, as amended, is amended to read as follows:

§201. Definitions. (a) That when used in this title:

(1) The term "commission" means the Hawaiian Homes Commission.

(2) The term "public land" has the same meaning as defined in paragraph (3) of subdivision (a) of section 73 of the Hawaiian Organic Act.

(3) The term "fund" means the Hawaiian home loan fund.

(4) The term "State" means the State of Hawaii.

(5) The term "Hawaiian home lands" means all lands given the status of Hawaiian home lands under the provisions of section 204 of this title.

(6) The term "tract" means any tract of Hawaiian home lands leased, as authorized by section 207 of this title, or any portion of such tract.

(7) The term "native Hawaiian" means any descendant of not less than one-half part of the blood of the races inhabiting...
limitation, streets, storm drainage systems, pedestrian ways, water facilities and systems, sidewalks, street lighting, sanitary sewerage facilities and systems, utility and service corridors, and utility lines, where applicable, sufficient to adequately service developable improvements therein, sites for schools, parks, off-street parking facilities, and other community facilities;

(2) With the approval of the governor, undertake and carry out the development of available lands for homestead, commercial, and multipurpose projects as provided in section 220.5 of this Act, as a developer under this section or in association with a developer agreement entered into pursuant to this section by providing for the construction, reconstruction, improvement, alteration, or repair of public facilities for development, including, without limitation, streets, storm drainage systems, pedestrian ways, water facilities and systems, sidewalks, street lighting, sanitary sewerage facilities and systems, utility and service corridors, and utility lines, where applicable, sufficient to adequately service developable improvements therein, sites for schools, parks, off-
1 lands, whether or not the property is a part of the development
2 being financed."

SECTION 3. Section 205 of the Hawaiian Homes Commission
Act, 1920, as amended, is amended to read as follows:

"§ 205. [Sale or lease, limitations on.] [1] Available
land shall be sold or leased only [(1) in]

(1) In the manner and for the purposes set out in this
title[, or (2) as]; or

(2) As may be necessary to complete any valid agreement of
sale or lease in effect at the time of the passage of
this Act;

except that such limitations shall not apply to the unselected
portions of lands from which the department has made a selection
and given notice thereof, or failed so to select and give notice
within the time limit, as provided in paragraph (3) of section
204 of this title."

SECTION 4. Section 206 of the Hawaiian Homes Commission
Act, 1920, as amended, is amended to read as follows:

"§ 206. [Other officers not to control Hawaiian home
lands; exception.] [1] The powers and duties of the governor and
the board of land and natural resources, in respect to lands of
the State, shall not extend to lands having the status of
Hawaiian home lands, except as specifically provided in this
1 when practicable, provide from the Hawaiian home lands a
2 community pasture adjacent to each district in which agricultural
3 lands are leased, as authorized by the provisions of section 207
4 of this title."
5
6 SECTION 7. Section 213.5 of the Hawaiian Homes Commission
7 Act, 1920, as amended, is amended to read as follows:
8 "[[§213.5.[]]] Establishment of special fund. A separate
9 special fund of the department shall be established for each
10 undertaking or part thereof financed from the proceeds of revenue
11 bonds equally secured. Each fund shall be designated "department
12 of Hawaiian home lands revenue bond special fund" and bear any
13 additional designation the department deems appropriate to
14 properly identify the fund. Any law to the contrary
15 notwithstanding, including any provision of this Act, from and
16 after the issuance of revenue bonds under and pursuant to the
17 provisions of this Act and part III of chapter 39, Hawaii Revised
18 Statutes, to finance an undertaking, all rentals, income,
19 receipts, and other revenues derived by the department from the
20 particular undertaking for which financing is undertaken shall be
21 paid into the special fund established pursuant to this Act and
22 applied in the manner and for the purposes set forth in part III
23 of chapter 39, Hawaii Revised Statutes, and the proceedings
24 authorizing the issuance of revenue bonds."
the available security of the association, and for the
development and operation of a mercantile establishment
shall not exceed the loan limit determined by the
department on the basis of the proposed operations and
the available security of the lessee or of the
organization formed and controlled by lessees; provided
that upon the death of a lessee leaving no relative
qualified to be a lessee of Hawaiian home lands, or the
cancellation of a lease by the department, or the
surrender of a lease by the lessee, the department
shall make the payment provided for by section 209(a),
the amount of any such payment shall be considered as
part or all, as the case may be, of any such loan to
the successor or successors, without limitation as to
the above maximum amounts; provided further that in
case of the death of a lessee, or cancellation of a
lease by the department, or the surrender of a lease by
the lessee, the successor or successors to the tract
shall assume any outstanding loan or loans thereon, if
any, without limitation as to the above maximum amounts
but subject to paragraph (3).

(2) The loans shall be repaid in periodic installments,
such installments to be monthly, quarterly, semiannual,
lessee, the department may, at its option declare all
installments upon the loan immediately due and payable,
or permit the successor or successors to the tract to
assume the contract of loan subject to paragraph (1).
The department may, in such cases where the successor
or successors to the tract assume the contract of loan,
waive the payment, wholly or in part, of interest
already due and delinquent upon the loan, or postpone
the payment of any installment thereon, wholly or in
part, until such later dates as it deems advisable.
Such postponed payments shall, however, continue to
bear interest on the unpaid principal at the rate
established for the loan. Further, the department may,
if it deems it advisable and for the best interests of
the lessees, write off and cancel, wholly or in part,
the contract of loan of the deceased lessee, or
previous lessee, as the case may be, where such loans
are delinquent and deemed uncollectible. Such write
off and cancellation shall be made only after an
appraisal of all improvements and growing crops or
improvements and aquaculture stock, as the case may be,
on the tract involved, such appraisal to be made in the
manner and as provided for by section 209(a). In every
case, the amount of such appraisal, or any part
assignment when requested by the department shall be
sufficient ground for cancellation of the borrower's
lease or interest therein."

SECTION 9. Section 217 of the Hawaiian Homes Commission
Act, 1920, as amended, is amended to read as follows:

§217. [[Ejectment, when loan to new lessee for improvements.]] In case the lessee or borrower or the successor
to [his] an interest in the tract, as the case may be, fails to
comply with any order issued by the department under the
provisions of section 210 or 216 of this title, the department
may [(1) bring]:

(1) Bring action of ejectment or other appropriate
proceedings[, or (2) invoke]; or

(2) Invoke the aid of the circuit court of the State for
the judicial circuit in which the tract designated in
the department's order is situated. Such court may
thereupon order the lessee or [his] the lessee's
successor to comply with the order of the department.
Any failure to obey the order of the court may be
punished by it as contempt thereof. Any tract
forfeited under the provisions of section 210 or 216 of
this title may be again leased by the department as
authorized by the provisions of section 207 of this
February 6, 1997

TO: The Honorable Ed Case, Chair
    House Committee On Hawaiian Affairs

FROM: Kali Watson, Chairman
        Hawaiian Homes Commission

SUBJECT: Testimony On House Bill 1713 Relating to the Hawaiian Homes Commission Act, 1920 As Amended

Chair Case and members of the House Committee On Hawaiian Affairs. We appreciate the opportunity to provide testimony on H.B. 1713 relating to the Hawaiian Homes Commission Act, 1920, as amended (HHCA).

This Administration Bill is a housekeeping measure which proposes amendments that are technical and nonsubstantive in nature. They involve, for the most part, the removal of brackets in the titles of various sections of the Act which were inserted when these sections were amended. The Attorney General has subsequently determined that these amendments do not require congressional consent. Section 223 is recommended for repeal because it is in conflict with section 5(h) of the Admission Act.

We urge your passage of H.B. 1713.
TO: COMMITTEE ON HAWAIIAN AFFAIRS

DATE: FEBRUARY 6, 1997

RE: H.B. 1713, RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED.
REQUEST TO DELAY DECISION ON THIS BILL.

KHNNCA respectfully requests this Committee to delay decision on this Bill until the beneficiaries of the Hawaiian Homes Commission Act, on the neighbor islands have received copies for Section 201, 250, and 223 are received for evaluation.

Also, we are not aware what changes are being made to Sections 204.5, 250, 206, 210, 211, 213.5, 215, 217 and 227.

I spent two days at the Waimea District Office of the Department of Hawaiian Home Lands to review the Commission Minutes and Agenda for 1996, and we are not aware of any public hearing or representation from our Commissioner in regards to these Sections.

If there must be changes to the Hawaiian Homes Commission Act, therefore the Administrative Rules and Regulations, we beneficiaries and lessees must be informed because we are the ones that must live by these standards.

At this time, we are not aware if these changes are efficient or adverse to our quality of life. We want the opportunity to review them and we ask for your assistance by delaying this discussion. We have been in contact with the Committee Clerk for these copies.

Thank you. We await your reply.
This, overall, is a dangerous bill for native Hawaiians. Sec. 3, page 5, permits the sale of Ceded Lands if DHHL fails to ask for the lands or it permits "Available lands shall be sold or leased..." Please delete the new language and return to the old.

Section 4 gives the governor and DLNR power to control DHHL lands. Please return to the original language.

Sec. 6 In this state millions of dollars have been lost in Special Fund Accounts. How will the native Hawaiians know that their money is not being filtered out to greedy individuals. There needs to be a minimum of accounts for the beneficiaries to watch.

Page 14, Sec 227 on Enterprise Zones needs to be amended so that in each business native Hawaiians should own 80% of the interest, and it should be written that the land can not be alienated for any reason; the land remains trust land.

The major reason for this bill is the repeal of Section 223. This is the only protection that native Hawaiians have---Congressional Oversight. Until the Hawaiian nation is a viable entity, this protection must remain or the Hawaiian Trust Lands will be endangered once again. The Territory and the State of Hawaii in the past and currently have never truly upheld the interest of the native Hawaiians. Who makes money from the Ceded Lands, the General Leases in this state, and the leases of Hawaiian Home Lands? NON_HAWAIIANS. Has the state done anything to raise the overall economic status of Hawaiians, particularly native Hawaiians? No. Most of the programs have been cursory. Why has the state never engaged in partnerships with DHHL and OHA to benefit the status of all---training programs so that Hawaiians would take over the business ultimately. Developments have benefited only private individuals, the anointed ones.