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**U.S. House of Representatives
Subcommittee for Indigenous Peoples of the United States
Committee on Natural Resources**

H.J.Res. 55

Consent to the amendments to the Hawaiian Homes Commission Act, 1920

**Written Testimony of Chairwoman Robin Puanani Danner
Sovereign Council of Hawaiian Homestead Associations**

October 5, 2021

Honorable Chair Leger Fernandez and Committee Members,

Thank you for the opportunity to provide testimony on the importance of HJR55 and if enacted, what it means to our indigenous peoples of Hawaii in trust land areas and to the economic prosperity of our State.

About SCHHA

The Sovereign Council of Hawaiian Homestead Associations (SCHHA) is 34 years old this year, founded in 1987 to represent the interests of and the provision of services to trust lands and Hawaiians as defined by the Hawaiian Homes Commission Act (HHCA), enacted by the U.S. Congress in 1920. SCHHA is governed by its constitution and a 5-member Homestead Council serving 4-year terms, elected by enrolled members in 5 regions across the 203,000 acres of trust lands within the State of Hawaii.

SCHHA is registered under the federally codified definition of a Homestead Beneficiary Association (HBA) at the U.S. Department of Interior (DoI). It is the largest and most representative policy voice dedicated to the HHCA, and as a coalition of other HBAs, SCHHA is similar to the coalitions of the *National Congress of American Indians (NCAI)* and the *Alaska Federation of Natives (AFN)*.

We are the people and homestead communities Congress exercised its constitutional plenary power 100 years ago, by enacting the HHCA to address the condition of our indigenous people.

The Federal/State Compact

Thirty-nine years after passage of the HHCA, Congress enacted the 1959 Hawaii Admissions Act, conditioning statehood of the 50th State, to requiring the day-to-day tasks of the HHCA to State government. This unique compact creating a role for a state government in the administration of a federally established land trust for an indigenous people was a prudent approach at the time, given the immense geographical distance over land and sea, between the capitol in Washington DC and the Hawaiian Islands. Even from the shores of the west coast, Hawaii lies another 2,500 miles over the Pacific Ocean.

Founded in 1987, the Sovereign Council of Hawaiian Homestead Associations (SCHHA) is the oldest and largest governing homestead association registered with the Department of Interior, exercising sovereignty on the trust lands, similar to tribal lands, established under the Hawaiian Homes Commission Act of 1920.

As a result of this compact, the State of Hawaii in 1961, created a lead agency to fulfill state government's commitment to the Congress called the Department of Hawaiian Home Lands (DHHL). The leadership of this state agency, along with its governing commission, are appointed by the Governor of Hawaii, and confirmed by the State Senate of the Hawaii Legislature.

Federal code describes three parties with duties assigned by Congress for a successful HHCA. The first is the federal government represented by the DoI. Our equivalent of the Bureau of Indian Affairs is the Office of Native Hawaiian Relations (ONHR) at DoI. This agency was opened in 2004 under President Bush, and currently reports to the DoI Assistant Secretary of Policy, Management & Budget. Second, is state government represented by DHHL. Third, are our indigenous people specifically defined by the HHCA with HBA's representing the interests of and provision of services to our homestead communities.

SCHHA appreciates the policy work of our homestead leaders across our trust lands representing our people's interests, also the work of DHHL, the Hawaii Legislature and the Governor, all representing the state's interests, and Congressman Kahele as a federal official in drafting HJR55, to expand the eligibility of heirs to a broader definition for our families on trust lands.

We also value the generosity of Indian Country, tribal leaders and organizations, all across the country, in sharing solutions garnered over decades of experience that are relevant to our own land trust. For example, we have implemented many best practices deployed on tribal lands that assist families to access mortgage capital, and another in sharing the best practices of tribal governments in assisting our SCHHA enrollment systems for our enrolled members. We know we are connected to tribal communities and will continue to engage solutions among our counterparts in Indian Country to realize the success Congress envisioned for the HHCA.

Impact of HJR55 – Long Term Multigenerational Prosperity

House Joint Resolution 55, began in our trust land communities in 2014, when SCHHA and many homestead leaders all across the state analyzed the limitations of current successorship, or heirship qualifications. In 2017, DHHL, the Governor of Hawaii, and the Hawaii State Legislature, drafted an amendment to the HHCA, held hearings, dialogued with homestead communities, with other relevant constituencies and passed Act 080, largely based on the long term multi-generational prosperity impact to our families, and also to the larger economy in all of our county government jurisdictions.

The 1959 Hawaii Admissions Act, Section 4 states “the qualifications of lessees (of HHCA trust lands) shall not be changed except with the consent of the United States.” HJR55 does not change the qualifications of persons eligible to be awarded an original lease of trust lands, which has been authorized by Congress at 1/2 or more Hawaiian since enactment of the HHCA in 1920.

What HJR55 does change, is the qualifications of a family member heir of an original land lessee, such as a spouse, a child or grandchild. Congress authorized the qualification for an eligible family heir to be at least 1/4 Hawaiian. HJR55 authorizes a change from at least 1/4 Hawaiian to at least 1/32 Hawaiian. HJR55 only addresses the qualification of an eligible family member heir or successor.

HJR55 maximizes the long-term stability of trust land families, communities and businesses, by successfully connecting the precept of a stabilizing public policy to economic prosperity for tens of thousands of Hawaiians as well as our overall state economy.

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Following are just a few notable areas on the economic stability and growth that the simplicity of HJR55 brings to entire homestead communities, located on six islands and in four county jurisdictions:

- 1. Generational Housing Stability & Wealth Building.** HJR55 by its very function can be the facilitator of generational wealth building through home asset transfer to subsequent generations. The notion of building vertical home asset value, building home equity value, by one generation to pass on through heirship to the next generation, is foundational to American prosperity.

HJR55 removes uncertainty from the equation, assuring every home improvement investment, every dollar in home equity is an investment in the next generation. Maximum heirship capability to children and grandchildren cannot be overstated in value to family stability, to financial well-being including the prevention of foreclosure through loan assumptions and other mitigations with a broader base of eligible family heirs.

- 2. Generational Farming & Ranching Ownership and Operational Stability.** HJR55 is powerfully important to the long-term sustainability of farming and ranching families on our trust lands. Much like heirship practices across rural America, where heirship from fathers and mothers to sons and daughters, to grandchildren, are the framework of successful multi-generational operations important to agriculture.

HJR55, creates dependability for capital investment in small rural, family run agriculture operations whether for subsistence purposes or commercial markets.

- 3. Industry Economic Impact Across Hawaii.** HJR55 creates greater stability for industries reliant on healthy housing markets, agribusiness-based economies, construction trades, and financial institution capital. This stability in related and broader industries supports the overall economic prosperity of all counties and the state. Housing and agriculture on our trust lands has very direct impacts especially for banks, lenders and loan servicers, as well as the building industry, agriculture markets, equipment depots, and numerous retail support businesses.

HJR55 is good public policy that maximizes heirship and successorship, to retain the vertical assets of homes, farms and ranches, in multi-generational ownership on our trust lands. Our families need this, our state needs this, our economy needs this.

SCHHA requests the Committee in addition to passage of HJR 55, document in the record the need for clear steps through the excellent and inclusive federal regulatory process. Minimum of which address for all parties to execute a successful successorship under HHCA Section 209 of the statute, as well as HHCA Sections 204 and 207 to address the condition of our indigenous people on transparent dispositions of our trust lands.

We mahalo our Hawaii Congressmen Kahele and Case, as well as each of the co-sponsors from geographies spanning from Alaska to New Mexico, New Jersey to Ohio, Oklahoma to California, and Kansas to American Samoa, both Republican and Democrat, to achieve the HHCA amendment described in HJR55.

Mahalo nui.