

Testimony of Chairperson Haunani Apoliona  
Office of Hawaiian Affairs  
Senate Committee on Indian Affairs  
Regarding S. 519  
July 21, 2004

Mr. Chairman and Members of the Committee, my name is Haunani Apoliona and I am the Chairperson of the elected Board of Trustees of the Office of Hawaiian Affairs (OHA).

OHA was created in 1978 by the State Constitutional Convention, and in 1979, ratified by the entire statewide electorate. Chapter 10 of the Hawaii Revised Statutes mandates OHA to “address the needs of the aboriginal class of people of Hawaii” Over more than two decades of operation, the social, political, cultural and economic fabric of Hawaii has changed profoundly.

In 2002, after several years of community meetings and culmination of a strategic planning process, the Board of Trustees approved the OHA 2002-2007 Strategic Plan. The mission statement is “to Malama (protect) Hawaii’s people and environmental resources, and OHA’s assets, toward ensuring the perpetuation of the culture, the enhancement of life style and the protection of entitlements of Native Hawaiians, while enabling the building of a strong and healthy Hawaiian people and nation, recognized nationally and internationally.” The Strategic Plan identifies ten goals and provides strategies to reach those goals. The goal areas are: Advocacy-Native Rights, Culture, Economic Development, Education, Environment-Natural resources, Nationhood, Policy, Social Services, Land and Housing and Health. OHA’s Economic Development goal, by 2007 OHA’s investment in the creation and retention of wealth for Native Hawaiians shall have: 1) impacted at least 7 percent of the total statewide Native Hawaiian population by improving economic solvency and 2) accounted for a return on investment to OHA “equal or greater than the cost of capitol used to fund the activity and/or OHA’s current rate of return (total fund) from the Native Hawaiian Trust Fund.” Achieving this goal and future economic development goals of the Native Hawaiian Governing entity require access to and adequate funding for diagnostic assessment to identify and remove obstacles to goal achievement and technical assistance.

In the findings of S. 519, the Congress defines “Native American” as either a member of an Indian tribe or a Native Hawaiian. In the findings, it is noted Native Americans suffer rates of unemployment, poverty, poor health, substandard housing, and associated social ills to a greater degree than any other group in the United States. Congress further finds that the goal of economic self-sufficiency and political self-determination for Native Americans can best be achieved by making available the resources and discipline of the private market, adequate capital, and technical expertise.

As noted in S. 344, despite the overthrow of the government of the Kingdom of Hawaii, Native Hawaiians have continued to maintain their separate identity as a distinct native

community through cultural, social, and political institutions, and to give expression to their rights as native people to self-determination, self-governance, and economic self-sufficiency. Native Hawaiians have also given expression to their rights as native people to self-determination, self-governance, and economic self-sufficiency – through the provision of governmental services to Native Hawaiians, including the provision of – health care services; educational programs, employment and training programs; economic development assistance programs; children’s services; conservation programs; fish and wildlife protection; agricultural programs; native language immersion programs from kindergarten through high school; college and master’s degree programs in native language immersion instruction; traditional justice programs, and by continuing their efforts to enhance Native Hawaiian self-determination and local control. Native Hawaiians are actively engaged in Native Hawaiian cultural practices, traditional agricultural methods, fishing and subsistence practices, maintenance of cultural use areas and sacred sites, protection of burial sites, and the exercise of their traditional rights to gather medicinal plants and herbs and food sources.

We note that the Department of Hawaiian Home Lands (DHHL) is identified in the Section 4 under Definitions. Housing is a major problem of all Hawaiians. The Hawaii State Constitution mandates the Office of Hawaiian Affairs to better conditions of all Native Hawaiians. Therefore it is requested that the Office of Hawaiian Affairs additionally be considered for inclusion in S. 519 in the appropriate sections. Historically low interest rates have made high-end Hawaiian homes more “affordable” and fueled an infusion of off-shore dollars by non-residents seeking “reasonably priced” retirement homes in Paradise. As those dollars have continued to flow into the Islands, the median cost of a single-family home on Oahu rose from \$335,000 in March 2003 to \$481,000 in early July 2004.

That phenomenal 30% growth on Oahu—the highest in the nation—was even greater on the neighbor islands, where the median price of a single-family home now ranges from \$500,000 to \$600,000. The condo and town home markets have both had comparable growth.

As the median price of single family homes has undergone this phenomenal growth, more and more Native Hawaiians have been priced out of the conventional housing market.

Therefore one of the purposes of S. 519 – “To establish the Native American Economies Diagnostic Studies Fund and the Native American Incubation Center to provide Native Americans with access to financial capital, to provide technical assistance and to encourage entrepreneurial activities among Native Americans could greatly assist our Native Hawaiian communities in their efforts to achieve the homeownership goals and economic well-being.

With initial oversight proposed to be provided by the Federal Department of Housing and Urban Development, housing clearly will be a priority, but other opportunities cannot be overlooked. We feel that S. 519 would also provide the opportunity for a productive economic development policy and analysis that would result in improving the material standard of living of Native Hawaiians. Development of unique programs, bringing the resources from the Federal,

State and private sector together to create new or expand existing industries, business and economic development opportunities, the establishment of localized incubator and entrepreneurial training programs and to provide policies and institutional support to assure economic solvency for all Native Americans should be major goals of this program.

With regards to possible amendments, we respectfully request that you amend Sec. 4 Definitions (15) to reflect the definition of Native Hawaiian as defined in S. 344 –

*7) NATIVE HAWAIIAN- For the purpose of establishing the roll authorized under section 7(c)(1) and before the reaffirmation of the political and legal relationship between the United States and the Native Hawaiian governing entity, the term “Native Hawaiian” means --*

*(A) an individual who is one of the indigenous, native people of Hawaii who is a direct lineal descendent of the aboriginal, indigenous, native people who--*

*(i) resided in the islands that now comprise the State of Hawaii on or before January 1, 1893; and*

*(ii) occupied and exercised sovereignty in the Hawaiian archipelago, including the area that now constitutes the State of Hawaii; or*

*(B) an individual who is one of the indigenous, native people of Hawaii and who was in 1921 for the programs authorized by the Hawaiian Homes Commission Act (42 Stat. 108, chapter 42) or a direct lineal descendent of that individual.*

and Sec. 201 and other appropriate sections to allow the Office of Hawaiian Affairs (OHA) to participate in the economic opportunities provided by this bill so that all Native Hawaiians could participate.

The inclusion of the Office of Hawaiian Affairs would assure that all the benefits of this legislation to apply to all Native Hawaiians. Further, this legislation would enhance our responsibilities to our Native Hawaiian beneficiaries in fulfilling the goals and objectives of the OHA 2002 – 2007 Strategic Plan, especially in the areas of economic development, education, land and housing and health.

Once again, we commend you for developing such important legislation as well as your continued support of S. 344 – the Native Hawaiian Government Reorganization Act of 2004. The proposals in S. 519 would complement the economic opportunities offered by this legislation. We stand ready to work with you and your staff on the bill.