

Report to the Twenty-Ninth Legislature

2018 Regular Session

ACCOUNTING OF ALL RECEIPTS FROM LANDS DESCRIBED IN SECTION 5(f) OF THE ADMISSION  
ACT FOR FISCAL YEAR 2017



Prepared by

THE STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

In response to Section 5 of Act 178, Session Laws of Hawaii 2006

Honolulu, Hawaii

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ACCOUNTING OF ALL RECEIPTS FROM LANDS DESCRIBED IN SECTION 5(f) OF THE ADMISSION ACT FOR  
FISCAL YEAR 2017

EXECUTIVE SUMMARY

Pursuant to Section 5 of Act 178, Session Laws of Hawaii (SLH) 2006, this report provides an accounting of all receipts from lands described in Section 5(f) of the Admission Act ("ceded lands").

All amounts reported as transferred to the Office of Hawaiian Affairs (OHA) by the participating agencies were reconciled against the amounts of transfers on file with the Department of Budget and Finance (B&F). Any discrepancies were explained in the respective agencies' reports.

According to B&F records, the total amount of agency transfers to OHA in all quarters of FY 2017 exceeded the guaranteed quarterly payment of \$3.775 million.

Pursuant to Governor's Executive Order 06-06, if the total amount of receipts transferred to OHA exceeds the guaranteed quarterly payment of \$3.775 million, B&F must notify OHA and request that OHA deposit the overpayment by journal voucher into the carry-forward trust holding account established by the Director of Finance, B&F. Details regarding agency transfers and deposits into the aforementioned carry-forward trust holding account can be found on the attached "FY 2017 OHA Payments" report submitted by B&F.

The B&F report, Summary of Data from the agencies, and each individual agency report(s) are included as attachments.

## BACKGROUND

This report is prepared pursuant to Section 5 of Act 178, SLH 2006, which calls for the Department of Land and Natural Resources (DLNR) to provide an accounting of all receipts from lands described in section 5(f) of the Admission Act, for the prior FY.

Section 5 of Act 178, SLH 2006, states:

“Not later than January 1 of each year, the department of land and natural resources, with the cooperation of the department of budget and finance and any other state department or agency that uses or manages public lands, shall provide an accounting of all receipts from lands described in section 5(f) of the Admission Act for the prior fiscal year. With respect to each receipt, the department of land and natural resources shall identify:

- (1) The total gross amount;
- (2) The amount transferred to OHA;
- (3) The amount retained by the State;
- (4) The account or fund in which the amount specified in paragraph (3) was transferred or deposited;
- (5) The parcel of land subject to section 5(f) of the Admission Act that generated the receipt, whether by tax map key number, department of land and natural resources inventory number, or other recognizable description; and
- (6) The state department or agency that received the total gross amount identified in Paragraph (1).

The accounting shall also indicate whether any parcel of land described in section 5(f) of the Admission Act was sold or exchanged in the prior fiscal year and, if so, the amount of consideration that the State received for the respective parcels.”

## METHODOLOGY

Agencies submitted their data to DLNR. Agency reports were validated using the B&F report for the amount transferred to OHA.

If a report did not contain this data, or if the total transfer amount on the spreadsheet did not agree with the transfer amount as reported by B&F, DLNR staff contacted the agency representative for clarification, correction or resubmission of the report. Explanations for any transfer discrepancies were noted on the agencies' respective reports.

DLNR also separately reported a table identifying parcels that were sold or exchanged by DLNR during this reporting period.

Responsibility for the accuracy of the data rests with the agencies. Verifying the accuracy of individual transactions and confirming the trust land status for individual parcels are beyond the scope of the tasks prescribed in Act 178, SLH 2006.

The following agencies submitted revenue reports for FY 2017:

- Accounting and General Services (DAGS)
  - Automotive Management and Parking Control
- Agriculture (DOA)
  - Agribusiness Development Corporation (ADC)
  - Agricultural Resource Management (ARM)
- Business, Economic Development, and Tourism (DBEDT)
  - Foreign Trade Zone (FTZ)
  - Hawaii Community Development Authority (HCDA)
  - Hawaii Housing Finance and Development Corporation (HHFDC)
  - Natural Energy Laboratory of Hawaii Authority (NELHA)
- Defense (DOD)
- Education (DOE)
- Health (DOH)
  - Hawaii Health Systems Corporation (HHSC)
- Human Services (DHS)
  - Hawaii Public Housing Authority (HPHA)
- Land and Natural Resources (DLNR)
  - Boating and Ocean Recreation (DOBOR)
  - Forestry and Wildlife (DOFAW)
  - Land Division (LD)
  - State Parks (SP)

- Transportation (DOT)
  - Airports Division (DOTA)
  - Harbors Division (HAR)
  - Highways (HWY)
- University of Hawaii (UH)