

# Washington, D.C.: Public Relations: Newsletters: Homelands/ Housing

Senator Daniel K. Inouye Papers

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# Hawaiians now largest group of homeless in isles at 37.5%

Caucasians dropped from 49.6 percent in 1992 to 29.6 percent of total homeless, officials say

BY LORI TIGHE  
*Star-Bulletin*

Hawaiians and part-Hawaiians have become the largest homeless ethnic group in the islands, according to state housing statistics.

Hawaiians now make up 37.5 percent of the homeless, while Caucasians, the No. 2 group, account for 29.6 percent, said Sandy Miyoshi, homeless programs administrator for the state.

That is a reversal from 1992, when Caucasians made up 49.6 percent of the state's homeless population and Hawaiians comprised 20.6 percent, according to the Native Hawaiian Data Book.

Asians, Filipinos and blacks each make up less than 10 percent of the homeless population, Miyoshi said.

"It's both surprising and not surprising to me," said Lulani McKenzie, president and chief executive officer of Alu Like, a community organization that offers housing programs to native Hawaiians.

"On the one hand, native Hawaiians are the leading indica-

tor of every other category: worst health, most incarcerated, most numbers on welfare," McKenzie said.

"On the other hand, most Hawaiians do have ohana they can team up with. It's very distressing. It obviously ties into the depressed economy."

Shifting demographics may help explain the change.

The most recent ethnic population breakdown shows that the number of Caucasians decreased by about 8,000 to 254,421 in 1996 from 1990, according to the Hawaii Health Surveillance. During the same time, the number of Hawaiians/part-Hawaiians increased about 32,000 to 237,128.

The number of homeless in Hawaii has expanded between 250 and 300 each year since 1994, as the state dollars to care for them have continued to shrink.

"I do think it's tied to the economy," said Lynn Maunakea, executive director of the Institute for Human Services Inc., the biggest homeless shelter in the state. "They can't afford rent if they lost their job."

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*I do think it's tied to the economy. They (the homeless) can't afford rent if they lost their job.*

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**Lynn Maunakea**

*executive director of the Institute for Human Services, the state's biggest homeless shelter.*

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There are also more homeless children.

About 60 percent of the homeless population this year are adults, while 40 percent are children, Miyoshi said.

In 1992, homeless adults comprised 80 percent and children accounted for 20 percent, according to the Native Hawaiian Data Book.

In 1992, the state spent more than \$9 million to care for 5,353 homeless people. This year, the state spent \$2.8 million on 12,887 homeless people, Maunakea said.

The state also receives \$1 million in federal money for the homeless.

# What are ceded lands?



The state and the Office of Hawaiian Affairs try to reach an agreement on ceded lands before Dec. 1. Some hope Washington Place will be a part of those negotiations

BY PAT OMANDAM  
*Star-Bulletin*

For the past 28 years, "Uncle Charlie" Kauluwehi Maxwell Sr. avoided Washington Place because the former home of Hawaiian royalty didn't belong to Hawaiians anymore.

But Maxwell changed his mind this summer, and twice visited the historic mansion. The disabled Hawaiian cultural practitioner likened both visits to Queen Liliuokalani's home as "emotionally cleansing."

Public trust or ceded lands in Hawaii comprise about 1.8 million acres of property in all four counties, making up about 43 percent of the islands' area. The lands were given to the United States shortly after the 1893 overthrow of the Hawaiian kingdom. Under the 1959 Admissions Act, the state of Hawaii became trustee for 1.4 million acres. The statehood act set aside five purposes for its use, one of them for the betterment of native Hawaiians.

In 1978, voters approved broad constitutional amendments to create the Office of Hawaiian Affairs and fund it with a share of the money derived from the use of ceded lands. In 1980, the Legislature set the share at 20 percent.



He believes all Hawaiians would frequently visit the home if it were returned to the Hawaiian people.

As such, he hopes Washington Place becomes part of a settlement agreement between the Office of Hawaiian Affairs and the state over past due revenue from ceded lands.

"If we truly are a cultural people, then money is really not important," said Maxwell, who visited Washington Place during the Aug. 12 centennial annexation and again later last month for a state event.

"Money is not the basis of our culture, but the land is. And the sacredness of it. That's the important thing to native Hawaiians," he said.

More than three months have passed since Gov. Ben Cayetano and OHA Chairwoman A. Frenchy DeSoto announced plans to settle the dispute over how much the

PLEASE SEE SACRED, A-8

## FROM A-1

state owes OHA for its use of ceded lands.

Negotiations stem from a court ruling two years ago that said OHA could sue for ceded land revenue generated from housing sales and rentals, Hilo Hospital patient services, off-site Duty Free Shoppers and interest income. The July 1996 order by Circuit Court Judge Daniel G. Heely fueled estimates of past due revenue ranging from \$500 million to \$1.2 billion.

Hawaii law requires OHA be paid 20 percent of revenue derived from ceded lands, to be used for the betterment of native Hawaiians. Those payments go to OHA, the semiautonomous agency in charge of carrying out that mandate.

So far, negotiators have met once, on Sept. 4, for an organizational meeting, said Janet Kawelo, an executive research assistant for Cayetano. Kawelo was named to replace Rick Egged, who recently resigned his post as state planning director.

Both sides agreed to release information on the negotiations only through their offices. A second meeting date was not given.

"I know that the staff is dealing with the problem of trying to coordinate the trustees and the negotiation teams' schedules, so it's not that easy to get meeting dates," said Kawelo, who joins Sam Callejo, Cayetano's chief of staff, and Joe Blanco, the governor's executive assistant, on the team.

Team leader Callejo declined to discuss state goals in the talks but believes it can be done by Dec. 1, the deadline given by the Hawaii Supreme Court to settle the issue. The high court heard oral arguments during an appeal of the case last April, but indicated it wanted the parties to attempt an out-of-court settlement before it ruled.

"We're going to try like hell, that's our job," Callejo said. "It's still early, but yes, we have a lot of work to do. And I'm doing a lot of reading right now."

Foremost for negotiators is how to proceed. OHA, under different leadership last year, considered hiring high-powered negotiators to do its bidding, but that effort became lost in a struggle for board leadership.

Earlier this year, OHA hired attorney James Duffy and planner Norma Wong to its negotiation team of DeSoto, OHA Vice Chairwoman Haunani Apoliona and trustee Herbert Campos. Previously, Wong handled talks for the state on Hawaiian issues, including the return of Kahoolawe, but now finds herself negotiating for Hawaiians against the state. Duffy represented OHA before the Hawaii high court.

Another issue for officials is whether a cash and land settlement is possible, given

the cash-strapped state economy. Jon M. Van Dyke, a University of Hawaii law professor and a consultant to OHA, said the parties will likely remain flexible on a settlement, given the case's appeal before the high court.

"It seems to me that it's a useful time for a compromise, but from OHA's perspective, they need to fight for the strongest possible amount for their beneficiaries," Van Dyke said.

To foster public understanding of the talks, OHA has launched a media campaign that focuses on the state's obligation to native Hawaiians, emphasizing OHA's fair share. The ads will continue throughout the talks, said OHA spokesman Ryan Mielke.

"It's simply to educate people on what the issues are, and that there's an issue of fairness at hand," Mielke said.

Also on the bargaining table is whether the settlement will resolve past as well as future revenue payments to OHA. Currently, a task force of OHA and state officials is discussing annual ceded land revenue payments to OHA that have remained frozen at \$15.1 million for the last two years.

But Kina'u Boyd Kamali'i, a former OHA trustee and state lawmaker, maintains the ceded land talks must only be for revenue owed and should not involve possible transfer of public trust lands, which already have been set aside by the federal government for Hawaii's native people.

"If they think they can pay us through lands, instead of revenues, that is unacceptable because you cannot pay us with what is already ours," said Kamali'i, a OHA candidate who believes the parties need to again sit down to address ceded land claims on the 1.8 million acres of trust land.

Looming over negotiators is a November

general election that, judging from last week's primary, could drastically change the makeup of the state administration, OHA and the Legislature.

For one, the anti-incumbent wave has already affected Hawaii lawmakers. Three of the five incumbent state senators who lost their seats in the primary were of Hawaiian ancestry: Sens. Malama Solomon, Lehua Fernandes Salling and James Aki.

Lack of support for Hawaiian issues in the Legislature could thwart any settlement agreement reached by negotiators. More important, voter approval of a state Constitutional Convention in November could put the future of the 20-year-old Hawaiian agency in jeopardy.

As one who helped create OHA in the 1978 state Constitutional Convention, DeSoto fears a new Con Con may focus on unraveling the gains OHA has made in the past two decades.

"Over the last 20 years, we have put in place programs that are the seedlings of progress of our people," DeSoto said. "I will not stand idly by and watch a new and expensive constitutional convention end those efforts before they've reached fruition."

Meanwhile, some may view any settlement with OHA as giving the agency the edge as the entity to represent the Hawaiian people under a sovereign government, although Van Dyke sees OHA as just a step toward that entity. He believes the large number and quality of candidates running for the five OHA seats this fall is a sign of the agency's new respectability.

"OHA has always felt like it should play a facilitative role in promoting sovereignty but has never put itself forward as the ultimate entity to be the sovereign nation," Van Dyke said.

# Inouye: Gifts to DHHL are only part of the remedy

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Associated Press

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HONOLULU — An agreement giving 947 acres of federal lands to the Department of Hawaiian Home Lands as compensation for the Navy's 60-year use of Lualualei lands is only part of the remedy for Hawaiians. Hawaii's senior senator said Monday.

The 1995 Hawaiian Homes Recovery Act signed by President Clinton has a second part which defines the special trust relationship the federal government has with Native Hawaiians. Sen. Daniel Inouye, D-Hawaii, told a ceremony at Washington Place.

Interior Secretary Bruce Babbitt joined Gov. Ben Cayetano and DHHL Chairman Kali Watson in signing an agreement giving the land to the department.

Inouye and other members of Hawaii's congressional delegation signed as witnesses to the agreement.

The land, worth between \$70 million and \$90 million, mostly is located at Barbers Point Naval Air Station, which is being closed in July. The Navy will keep the Lualualei lands, which are deemed unsuitable for use as Hawaiian Home Lands, on the Leeward Coast.

The settlement resulted from three

See **LAND**,  
Page 8

# LAND: Inouye says land

From Page 1

years of negotiations under the Hawaiian Homes Recovery Act.

Inouye said the second part of that act "puts into black and white the special relationship between the feds and Native Hawaiians."

"Up until now, (the Justice Department) has been reluctant to acknowledge there is a special trust relationship between Native Hawaiians and the federal government," Inouye said. "I have always maintained that it did exist and it was not extinguished by the Statehood Act."

The Hawaiian Homes Recovery Act "says it will be the responsibility and obligation on the part of the federal government to make certain that the benefits set forth in this bill

will be carried out," Inouye said.

"What I want is a clear, definitive acknowledgement by the Justice Department that Native Hawaiians are Native Americans," he said.

Watson said the land transfer represents a major change in the federal government's historic relationship with Hawaiians.

"Today, the federal government, rather than taking, is giving land back to the Native Hawaiians," Watson said. "While some people may say it's not enough, I believe it is a step in the right direction.

"From the Hawaiian perspective, this is more than the transfer of lands. It is the creation of opportunity and hope," he said.

## gifts just part of remedy

It gives Hawaiians an opportunity to have a place to build homes, to create businesses, to have job training and to create an income stream to pay for future homesteading activities, Watson said.

Sen. Daniel Akaka, D-Hawaii, who sponsored the act, praised all those who participated in the agreement.

"To me, the thread that was in all of this was really the spirit of aloha, whether the people know it or not," Akaka said.

Besides more than 800 acres at Barbers Point, DHHL gets smaller acreages at Haiku Valley, Waipahu, Waipio Peninsula, Pearl City, Aiea and Lualualei and a small portion of

Upolu Point on the Big Island.

Unrelated to the federal agreement, in 1995 the state agreed to a \$600 million, 20-year settlement for misusing 39,000 acres of that land from 1959 statehood through 1988.

The Hawaiian Home Lands program was established by Congress in 1920, setting aside 203,500 acres of state land for residential and farm lots for those with 50 percent or more Hawaiian blood.

There currently are nearly 7,000 Hawaiian homestead leases with a waiting list of 16,000 Hawaiians waiting for residential or agriculture lots, or both.

# Hawaii agency gets 900 acres

## Federal officials sign agreement

By Yasmin Anwar  
Advertiser Staff Writer

Interior Secretary Bruce Babbitt and other officials yesterday signed a historic land agreement that guarantees the transfer of more than 900 acres of prime federal land to the Department of Hawaiian Home Lands worth between \$70 million and \$90 million.

The jubilant signing at the governor's Washington Place mansion marked the first federal land transfer under the Hawaiian Home Lands Recovery Act, passed by Congress in 1995 to resolve a dispute over some 1,400 acres the federal government acquired during Hawaii's territorial period.

"We can't go into the future by discarding the past," Babbitt told a crowd of more than 150 at the ceremony.

Babbitt attributed the long-awaited land transfer to Hawaii's "relentless congressional delegation," including U.S. Sens. Daniel Inouye and Daniel Akaka and Reps. Neil Abercrombie and Patsy Mink, and to Gov. Ben Cayetano. All were present at the ceremony.

"This is a great day," said Abercrombie, who brushed aside suggestions that the ceremony was a campaign commercial for the Democratic Party.

Under the settlement, the Department of Hawaiian Home Lands will gain control of 586 acres at Barbers Point Naval Station, 167 acres at Haiku Valley, 55 acres in Waipahu near Leeward Community College, and 38 acres at Upolu Point in North Kohala on the Big Island, along with parcels in Pearl City, Aiea and Lualualei.

In exchange, the federal government may continue to use Hawaiian homestead land at Lualualei and Waimanalo on Oahu, and at Kalaupapa on Molokai.

Unlike previous land trans-



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**FROM PAGE ONE**

fers to Native Hawaiians, much of the new land has an existing infrastructure of roads, water and electricity, making it more viable for commercial and residential purposes.

"It's a first step," shrugged Charles Kauluwehi Maxwell, Sr., chairman of the Hawaii advisory committee to the U.S. Civil Rights Commission.

While he and other Native Hawaiians were cautiously optimistic about the agreement, they applauded loudly when Inouye referred to the section of the recovery act that acknowledges the federal government's "special trust relationship" with Native Hawaiians.

"What I want is a clear, definitive acknowledgement by the Justice Department that Native Hawaiians are Native Americans," Inouye said.

Native Hawaiian activists have criticized the federal government for classifying Hawaiians as a racial group rather than as a political group entitled to reparations, like Native Americans. Although many live in substandard conditions and are disproportionately represented in the criminal justice and welfare statistics, Native

Hawaiians say they are missing out on many federal aid programs because of their racial classification.

"We're land rich but cash poor," Maxwell said.

The land will be conveyed to Hawaiian Home Lands in July 1999 following base closures, when it can be used for homesteads and community programs. Some of the land may be sold.

Proposed projects at the Barbers Point Naval Station include transitional housing for homeless Hawaiians, a job training center, a motor raceway expansion, a high-tech park and commercial enterprises that would generate income for Hawaiian homesteading programs.

The Hawaiian Home Lands trust was created in 1920 so that approximately 200,000 acres could be used as homestead land for residents with at least 50 percent Hawaiian blood.

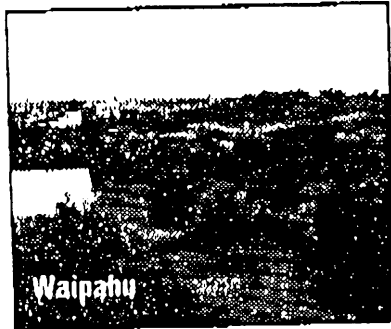
The demand for land has been greater than the department's ability to provide lots for development, and at least 30,000 Native Hawaiians are seeking homestead leases, according to Hawaiian Home Lands chairman Kali Watson.

Efforts to reclaim the disputed land started in the 1970s when the department began to

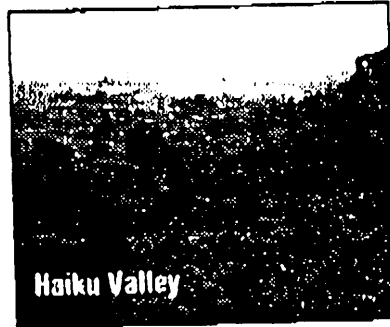
## Hawaiian Home Lands transfers

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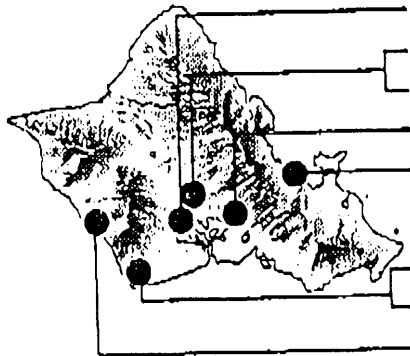
More than 900 acres of federal land will go to Hawaiian homesteads and other projects benefitting Native Hawaiians under a historic agreement.



Waipahu

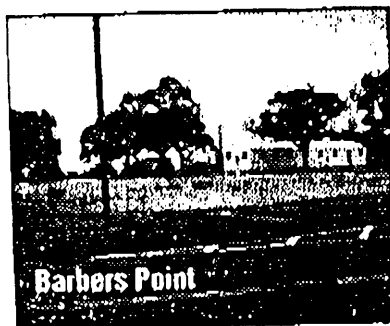


Haiku Valley

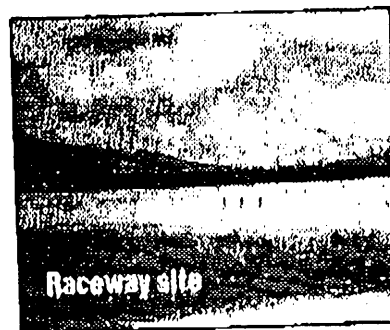


Waipahu	55 acres
Ewa Drum	56 acres
Manana Housing	20 acres
Halawa Laundry	3 acres
Omega Haiku	167 acres

Barbers Point	586 acres
Raceway site	16 acres
Lualualei Buffer	27 acres



Barbers Point



Raceway site

Source: Dept. of Hawaiian Home Lands

compile a land inventory and discovered the federal government had taken Lualualei lands during the territorial period. An executive order signed in the 1930s had shifted control of 1,350 acres at

Lualualei from Hawaiian Home Lands to the U.S. Navy. A suit filed by Hawaiian Home Lands failed to give it control of the lands, leading Sen. Akaka to introduce the recovery bill.

# Hawaiian Homes <sup>25</sup> merited compensation

**O**NE of the problems that has plagued the Hawaiian Home Lands program over the years has been federal and state government appropriation of its lands. Now the program is finally getting something in return.

A federal executive order in the 1930s, when Hawaii was a territory, removed 1,350 acres at Lualualei from Hawaiian Home Lands and turned them over to the Navy, which used the land for ammunition storage. Now, under an agreement between the state and federal governments, the Department of Hawaiian Home Lands will receive 580 acres at Barbers Point Naval Air Station in compensation.



**Dan  
Akaka**

The air station is scheduled to close next July and several state agencies are slated to use portions of the facility. DHHL's share will include the headquarters building.

The department plans to develop the land, which is adjacent to Campbell Industrial Park, for commercial use to help Hawaiians seek business opportunities. In addition, DHHL will take over other surplus federal lands at Upolu Point on the Big Island and a portion of the closed Omega station at Haiku in Windward Oahu.

Much credit for this recognition of Hawaiian claims belongs to Senator Akaka, who sponsored the federal Hawaiian Home Lands Recovery Act. That 1995 law required the federal government to determine the value of the seized property and the amount of lost income to the DHHL and transfer excess federal property of equal value to the department.

The state, meanwhile, has agreed to pay \$600 million over 20 years to DHHL in settlement for 39,000 acres improperly taken from the homelands trust. After decades of neglect, some wrongs are being righted.

## Grants to help research Pacific ag, health ties

The federal Environmental Protection Agency has awarded nine research grants totaling \$97,000 to Hawaii and the Western Pacific area, U.S. Sen. Daniel Inouye said.

The funds will be used to investigate and demonstrate creative ways to reduce human health and environmental risks from farming practices while maintaining or improving diversified agriculture, Inouye said.

Crops involved include vegetables, fruits and ornamentals.

Commercial growers and researchers will work together.

"I am optimistic that this program will demonstrate that a viable diversified agriculture can be consistent with sound environmental stewardship and high standards for human health," Inouye said.

Researchers from the University of Hawaii and the Hawaii Agricultural Research Center will work with large and small farms.

Northern Marianas College will carry out research in the Western Pacific.

# Feds can still use some homestead land under deal

The federal government has access to three areas but yields 894 acres

BY PAT OMANDAM  
*Star-Bulletin*

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The federal government will get continued use of Hawaiian homestead land at Lualualei and Waimanalo on Oahu, and at Kalaupapa on Molokai, under a settlement agreement it will sign Monday with the state.

In return, the state Department of Hawaiian Home Lands will receive 894 acres of surplus federal land from the U.S. Interior Department.

The agreement comes under the Hawaiian Home Lands Recovery Act of 1995, a law designed to "restore and make whole" the Hawaiian homes trust.

The act, signed by President Clinton on Nov. 2, 1995, authorizes the conveyance of federal fee land in Hawaii to the Hawaiian homes department.

"The historic agreement closes a very important chapter in the history of the United States' relationship with native Hawaiians," U.S. Interior Secretary Bruce Babbitt said in a statement.

The 894 acres of federal fee land being returned to the state includes 586 acres at Barbers Point Naval Station; 167 acres at Haiku Valley, part of which will include land at the former Coast Guard Omega Station; and 55 acres in Waipahu next to Leeward Community College.

The remaining parcels are 48 acres at Waipio Peninsula next to West Loch, and 38 acres at Upolu Point near Hawi, in North Kohala on the Big Island, according to a fact sheet from Hawaiian Home Lands spokesman Francis Apollona.

The agreement — valued at \$74.5 million — covers the value of the property as well as any income that should have been paid by the U.S. Navy for using it, Apollona said yesterday.

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"When they came up with the dollar amount, it not only included the value of the land but also for past rent," he said.

The federal land will be conveyed to the home lands department in mid-1999, and can be used for homesteads and community developments. The act also allows a portion of the land to be sold.

The department on Thursday had said it wants to develop the Barbers Point land for commercial uses, including a training center to help native Hawaiians seek new business opportunities.

Planning officer Darrell Yagodich, in this month's department newsletter, said the agreement is a result of a 20-year effort that peaked with passage of the act.

Yagodich said the department began to compile a land inventory in the mid-1970s and discovered the federal government had improperly taken Lualualei lands during the territorial period. An executive order signed then removed 1,350 acres at Lualualei from control of Hawaiian Homes to the U.S. Navy.

He said the department filed suit to regain the lands, but failed on technical grounds. Their efforts, however, eventually led to the congressional act.

The federal government created the Hawaiian Home Lands Trust in 1920 and set aside about 200,000 acres in Hawaii to be used as homestead land by Hawaiians with 50 percent or more blood quantum.

Recently, the law was amended to allow those with homesteads to pass on leases to their children, if the children are at least 25 percent Hawaiian.

Babbitt, Navy Secretary John Dalton, Hawaii's congressional delegation and state officials will sign the agreement at Washington Place.

## Hawaiian Homes plan sets a good precedent

Through all the debate over the overthrow of the monarchy and the annexation of Hawaii, it sometimes gets lost that Hawaiian grievances are not just emotional or political.

There are also substantive, specific grievances whose resolution could result in equally substantive, real benefits for the Hawaiian people.

A classic example is the longstanding complaint by the state of Hawaii and Hawaiian Home Lands about Uncle Sam's taking of homelands property for other uses.

Perhaps the biggest example was the Navy's use since the 1930s of some 1,350 acres at Lualualei in West Oahu for storage and other purposes.

Hawaiian Homes — and by implication the Hawaiians — were never compensated for the taking of these lands. That's about to change.

Under a federal Hawaiian Homes Recovery Act, sponsored by Hawaii Sen. Dan Akaka, the federal government will finally compensate Hawaiians for the use of this property. The plan is to turn over to Hawaiian Homes some 580 acres of

Barbers Point Naval Air Station when it is decommissioned next year. A few other smaller parcels might also be involved.

Most likely, Hawaiian Homes will use the land and facilities for commercial purposes, training and other services designed to help Hawaiians and generate money for the program.

The lesson in this is that there are many ways in which Hawaiian claims and grievances can be settled. The Barbers Point plan might serve as a model for other unresolved claims, including those on income from ceded lands by the Office of Hawaiian Affairs.

It might have been impossible to get the \$70 million to \$90 million value of the Barbers Point property in cash out of Washington. Thus the land transfer.

Similar arrangements could help resolve the ceded land dispute. Transferring surplus land or other properties doesn't directly impact a cash-starved state, and it offers Hawaiians fresh opportunities for boot-strap economic development and self-reliance.

# Cayetano campaign insists on proof

## Lingle organization just as adamant

By Ken Kobayashi

Advertiser Capitol Bureau

Gov. Ben Cayetano's campaign co-chairwoman yesterday renewed a demand that Republican challenger Linda Lingle prove her allegation that Cayetano's campaign spread false rumors that she is gay.

The Lingle camp refused to produce proof.

"They can demand all they want," said Bob Awana, Lingle's campaign manager. "I'll produce it when I'm good and ready."

Lingle last week told a campaign audience that in the past year and a half, she has been the target of a "whispering campaign" spreading false rumors that she's gay.



Lingle, Maui's two-term mayor, later said she has "reason to believe" that the rumors came from a committee

**Ann Kobayashi:** with  
Says rumors Cayetano's  
had been campaign.  
dismissed She also said  
she has a  
copy of an

eight-page report from the group that raises the issue of her sexual orientation.

Cayetano and his campaign last week called Lingle's remarks "irresponsible" and demanded to know what proof Lingle had.

Ann Kobayashi, Cayetano's campaign co-chairwoman, yesterday called a press conference and said the Cayetano campaign has heard Maui people talking about the rumors dating back four or five years. But she said "we dismissed all of that because it's not a campaign issue."

Kobayashi said the Lingle campaign should release the report to news reporters and produce the proof it says it has. "We're speaking out today so the malicious rumors against us don't take root," Kobayashi said.

Awana said he's not releasing the report because it contains "wild, reckless allegations" against not only Lingle but other "innocent people."

"We're not going to dignify it by even producing it," Awana said. He also said the Lingle campaign will not apologize to the Cayetano campaign.

Awana said Lingle wants to focus on the "real issue" of the campaign: Hawaii's ailing economy.

# State to get 580 acres of land from Navy

The Barbers Point site transfer will settle a dispute over Lualualei

BY GREGG K. KAKESAKO  
*Star-Bulletin*

The state will sign an agreement with the federal government Monday involving the transfer of 580 acres of Barbers Point Naval Air Station land next year.

The agreement, believed to be worth \$70 million to \$90 million, stems from the Hawaiian Home Lands Recovery Act, which was authored by Sen. Daniel Akaka and passed by Congress in 1995.

Francis Apollona, spokesman for the Department of Hawaiian Home Lands, said the agreement will resolve DHHL's demands of



Bruce  
Babbitt

compensation for the Navy's use of Hawaiian Home Lands for the Naval Magazine at Lualualei on Oahu's Leeward Coast.

In the agreement, the Navy will keep Lualualei, and

in exchange the Hawaiian Homes will get land at Barbers Point, including the headquarters building when the base closes next year, as well as other surplus federal lands at Upolu Point on the Big Island and a portion of the Coast Guard's closed Omega station at Halku, in Windward Oahu under the the H-3 freeway, Apollona said.

The settlement means Hawaiian Homes will be reimbursed for the use of Lualualei for the past six decades.

Interior Secretary Bruce Babbitt and Gov. Ben Cayetano will sign the memorandum of agreement Monday at Washington Place. Also expected to attend is Navy Secretary John Dalton.

Apollona said the department wants to develop the Barbers Point land for commercial uses to help native Hawaiians seek new business opportunities as well as establish a training center.

Currently, more than 29,000 people are on DHHL waiting lists for residential or agricultural lots.

Other state agencies that will be using Barbers Point after the Navy vacates will be the Hawaii National Guard, the state Department of Transportation and the city of Honolulu.

Congress created the Hawaiian Home Lands program in 1920, which involved 200,000 acres in the islands to be used as homestead land by Native Hawaiians.



# Deal expected

Interior secretary, local officials  
to sign agreement next week

By **John Yaukey**  
Advertiser Washington Bureau

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**WASHINGTON** — Interior Secretary Bruce Babbitt will join Gov. Ben Cayetano and other officials in Honolulu on Monday to sign a "historic" Hawaiian Home Lands settle-

ment, Interior officials said yesterday.

Details were not available, but Sen. Daniel Akaka, D-Hawaii, has said Hawaii officials were negotiating the transfer of federal land valued at \$70 million to \$90 million to

the Department of Hawaiian Home Lands.

Such a transfer would be the first land given to the department under the Hawaiian Home Lands Recovery Act, passed by Congress in 1995.

The act, introduced by Akaka, was intended to resolve the long-standing dispute over approximately 1,400 acres of Hawaiian homelands acquired by the federal government during the Islands' territorial period.

# on homelands

"The signing of this agreement follows through on a commitment made by President Clinton," Babbitt said in a brief statement, referring to Clinton's signing of the recovery act.

The Hawaiian Home Lands were created in 1920 under the Hawaiian Homes Commission Act, which called for setting aside 200,000 acres to be distributed as homesteads for Native Hawaiians.

But demand for land has far

outstripped the department's ability to provide developable lots. To date, Hawaiian Home Lands chairman Kali Watson said, 29,000 applications are pending from Native Hawaiians seeking homestead leases — 16,000 for residential leases and 13,000 for pastoral and agricultural leases.

For many years, Native Hawaiians have accused the state and federal government of breaches of trust involving

Hawaiian Home Lands, mostly involving the use of land without paying fair purchase prices or fair rents.

Watson said final details of the agreement were being worked out yesterday, so he could not discuss it in any detail until Monday's signing.

Several months ago, Akaka announced a land agreement was pending. He could not be

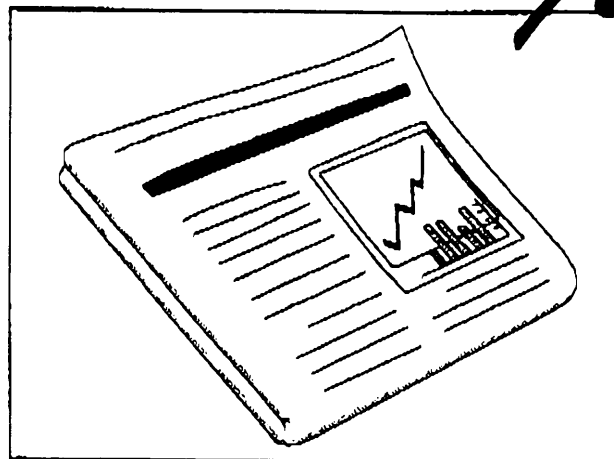
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MORNING NEWS REPORT  
HONOLULU OFFICE  
prepared by Jinny Okubo

HONOLULU CIRCULATION:

___ Aaron	
___ Barbara	___ Lum
___ Bob	
	___ Sheila
___ Mary Lou	___ Waude



ADVERTISER

THURSDAY, AUG. 27, 1998

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# Lands: Deal to be

FROM PAGE ONE

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reached for comment yesterday.

He has said negotiators were completing land appraisals and comparing the value of federal lands to be transferred with that of the lost homelands to ensure fair compensation. He referred to acreage at Barbers Point and other federal sites, described as "prime lands on Oahu and the Big Island."

The recovery act mandates that the federal government return land with equal or

greater value than the land it took.

In the 1930s, the territorial governor signed executive orders removing more than 1,350 acres at Lualualei from the Hawaiian Home Lands Trust to build communications, radar and storage facilities.

Hawaiian Home Lands appraisers have concluded the trust is owed \$75 million to \$81 million for the Lualualei lands and other small parcels taken by the federal government, including compensation for lost use of the land.

## signed Monday

In the past, Hawaiian Home Lands officials have said they were interested in obtaining about 550 acres at Barbers Point through the settlement.

The transfer also could include a portion of the former Coast Guard Omega station in Haiku, built during World War II as a navigational facility and closed last year.

Another potential site is part of the Coast Guard facility at Upolu Point on the Big Island.

Watson could not confirm whether those tracts would be included in the agreement.

# Hawaii feeling Northwest effects

## Cancellations include Isle flights

**By Michele Kayal**  
Advertiser Staff Writer

Northwest Airlines yesterday canceled 400 domestic and international flights scheduled for this weekend — including eight affecting Honolulu — forcing travelers to competing airlines and jostling schedules for thousands of Hawaii residents and vacationers.

Meanwhile, local Northwest workers began worrying about the possibility of layoffs without pay after the airline said non-striking employees would be

expected to report for work, but could be laid off temporarily once a strike started and they were not needed.

The airline has nearly 800 workers based in Hawaii who could be affected, putting pressure on families and threatening a further drain on the state's economy.

Northwest analysts estimate that a strike could cost the U.S. economy \$70 million a day. In Hawaii, state economists are bracing for a worst-case scenario that anticipates a loss of \$2.5 million a day. Any loss of visitors could shake the state's already fragile economy, business leaders have said, a prediction made more serious by the state's projected loss of \$3.8 million a day in visitor spending.

As rumors circulated yesterday that a settlement might be near, Northwest followed through with flight cancellations intended to reposition planes and crews at home bases in the event of a strike.

Even if the airline's 6,000 pilots reach a deal with management before the deadline of 6:01 p.m. tomorrow, Hawaii time, the flights will not be

### Inside

Northwest, union say talks are progressing.

▲ See story, Page B8

A state already in dire straits financially must decide how to settle ceded-lands claims — which some say could reach \$1.2 billion — to native Hawaiians

2/18  
BY ALAN MATSUOKA  
*Star-Bulletin*

**I**T SEEMS in retrospect an act of conscience as much as a judicial determination. Judge Daniel Glen Heely was being asked by the Office of Hawaiian Affairs to order the state to give it more of the money coming from the use of ceded lands. The state, which had cut back on welfare to make ends meet, was fighting back.

As temperatures outside the Circuit Court building neared record highs, Heely generated political heat inside by granting OHA's motions. The state clearly had a contract with native Hawaiians, he declared, and would be held to it.

He cited the federal government's apology for the illegal overthrow of the Hawaiian kingdom, and invoked a state law allowing him to "contemplate and reside with the life force," and consider the aloha spirit — "the essence of relationships in which each person is important to every other person for collective existence."

"The court cannot conceive of a more appropriate situation in which to attempt to apply the concepts set forth in the Aloha Spirit law," he said, "than ruling on issues that are directly related to the betterment of the native Hawaiian people."

With those ideals, in a July oral ruling and a written order filed in October, Heely sparked the latest controversy over the ceded lands, 1.8 million acres of property in all four counties comprising about 43

percent of the islands' area. Native Hawaiians hailed the ruling as "historic," recognizing the legitimacy of their legal claims to the lands.

"I think for the first time in a long, long time, someone has spoken up for what is the truth," said OHA Trustee A. Frenchy DeSoto, one of the agency's founders.

But the ideals soon met up with reality, which to the Cayetano administration meant estimates that the cost to the state could exceed \$1 billion.

And reaction to the ruling may foreshadow a larger question: What level of moral and legal duty will taxpayers have for aboriginal claims? Already, some worry that critical feelings about the OHA payments could overflow and cause a rift between the general public and native Hawaiian movement as a whole, no matter how just its cause.

"I think that's an issue that can break the movement's back, frankly," said Dan Boylan, a political analyst and history professor at the University of Hawaii-West Oahu. "There's got to be some compromises in all of this, big ones."

### 'That kind of magnitude'

A dispute over the lands is nothing new. Ceded to the United States shortly after the 1893 overthrow, they have deep symbolic meaning for native Hawaiians and often have been protest sites. Makua Beach is the latest example, Kahoolawe probably the best known.

The state became trustee for 1.4 million acres in 1959, under the Admission Act that made Hawaii part of the Union. Most of the rest are national parks or used by the military. Sand Island, Volcanoes National Park and Wailua Golf Course on Kauai are all part of the inventory.

In 1978, voters approved broad constitutional amendments to create the Office of Hawaiian Affairs and fund it with a share of the money derived from the use of ceded lands. In 1980, the Legislature set the share at 20 percent. Since then, legal battles have ensued over what the percentage covers.

In the latest case, OHA sought a share of revenues from Hilo Hospital and two state affordable-housing agencies, the Hawaii Housing Authority and Housing Finance & Development Corp. Rents, cafeteria sales and patient fees (after Medicaid and Medicare deductions) would be assessed.

It also wanted to vastly expand the way the share is applied to the airport's duty-free concession, a prime source of Honolulu Airport operating funds, and asked that interest on back payments to 1981 be included.

The Attorney General's Office, among other arguments, contended the state could not be sued, and functions like hospitals are sovereign and thus exempt from assessment. Heely disagreed, saying they often are private enterprises. The government appealed to the state Supreme Court and expressed confidence it would prevail.

But budget alarms were triggered. Gov. Ben Cayetano immediately disagreed with the ruling, which at the time was estimated to cost \$120 million. He rapped lawmakers for not passing an ad-

ministration bill last session that would have drastically cut the OHA entitlement.

Then he huddled in San Francisco with the airlines, and on his return invited newspapers to hear an industry lawyer raise the stakes to \$1.2 billion — a stunning figure for a state running on about \$3 billion in general-fund operating revenues this year.

OHA accused Cayetano of scare tactics. The agency had estimated the cost at \$178 million although Chairman Clayton Hee said he had an audit going into court that put the debt as high as \$700 million. No one has offered a definitive bottom line, but the Budget Department says the higher numbers seem likely to prevail.

"It would be safe to say you're talking about several hundred millions of dollars," said Deputy Director Neal Miyahira. "It's that kind of magnitude."

Meanwhile, the community hospitals are even more direct about the ruling's impact. "It would break us," said Health Director Lawrence Miike. Hilo is one of only two hospitals in the 13-facility state system in the black, and its profits help support the others, he said. The system still has a yearly deficit of about \$15 million, and state subsidies have been cut under a measure allowing it to run as a public corporation. *3/18*

"My question is, what business can give up 20 percent of gross revenues, no matter what it is, and expect to survive in the long-term here?" Miike asked.

Budget director Earl Anzai warned in a court affidavit that the rulings have lent "uncertainty as to the soundness of the state's financial situation." And the bill is mounting: Using OHA's low estimate, he said \$78,442 in interest is being added each day.

### 'Broken Promises'

The Governor's Office frames the issue as differences over interpreting the OHA entitlement law. "The governor has to think about what's best for the people of the entire state, including Hawaiians," said spokesperson Kathleen Racuya-Markrich.

But others, like UH-Manoa American Studies Professor David Stannard, have a different outlook. "Now we're talking real money so all of a sudden it's not just an abstract issue," Stannard said. "It's a real dollars-and-cents issue, and it does appear that the governor is very strongly behind the push to essentially dismantle that provision."

Among other changes, Cayetano wants to specify that the law applies only to raw land, and not land with improvements. OHA Trustee Rowena Akana sees an effort to create a "smoke screen," diverting attention from the state's irresponsible spending habits and inability to make good on its obligations.

"What is the difference between the Cayetano administration and the federal government and their treatment of the American Indians?" she said. "What is the difference? Is this what American justice is all about?"

Hee charges Cayetano is trying to drive a wedge between OHA and the general public and shift part of the blame for the state's budget problems onto the agency. The chairman said he is confounded by the reaction: OHA simply went to court to make the state comply with the law, and now is being cast as the "bad

guys" for having justice prevail. "It makes no sense to me," he said.

OHA has its share of critics in the native Hawaiian community. It received \$210 million in payments from 1980 to 1995, and one gripe is too little goes toward direct benefits. But support for the agency in this issue seems to be broad. A State Capitol rally in April to protest the proposed changes to the entitlement law drew a spectrum of leaders. T-shirts and signs read, "Broken Promises."

The common bond is a commitment to the land itself, something that "crosses all lines," said William Meheula, president of the Native Hawaiian Bar Association. Beyond the symbolic significance, the ceded lands are the economic focus of the native Hawaiian movement, the potential land base of a sovereign body. A frequent contention is the lands were stolen and, from that perspective, the state has been getting a deal.

"Frankly, 20 percent is too cheap," said attorney Hayden Aluli, who represented the Makua defendants. "If Hawaiians had control over their resources and lands, we would be charging the state rent, OK? And that's the way it is, period." *HIP*

## The American way

The stronger passions are fueled by memories of the legacy of Western contact. Like other indigenous peoples, native Hawaiians saw their population eaten away by disease and their society fragmented. Some see the impacts of being alienated from the land continuing today.

"Why do we have the highest suicide rate among teen-agers?" asked UHM Hawaiian Studies professor Lilikala Kame'eleihiwa. "Why do we have the lowest life expectancy? Why are we drinking and drugging ourselves to death? Because we have no home, we have no access to land."

With the Euroshop glitter of Waikiki, such feelings can seem remote. Indeed, others struggling with the implications of Heely's ruling have reached far different conclusions. "I'm sorry for them, that they feel they're culturally condemned," said one prominent business leader. "But there's a point where we have to say, look, whatever happened before doesn't matter."

OHA has been making strong overtures for talks. The governor said he is willing to sit down, but wants to wait until a lawsuit challenging the results of the latest election is resolved.

Heely won't be here to see how things work; he and his wife, who is half Hawaiian, have since moved to New York, making this his last major ruling in the islands.

But residents will be left to wrestle with the issues he raised in the case, and with the larger question of what they ultimately feel is due the native Hawaiian people — a question some feel must be answered soon.

"The American way is to act fairly and responsibly and honorably toward our native people with regard to unresolved claims that have festered over generations," said Jon Van Dyke, a UH constitutional law professor and OHA legal adviser.

"It's been too long delayed. It's time to address it."

5/18



# 1700

4/18

**Pre-contact:** The land had religious value for Hawaiians, whose gods were nature gods. "The Earth is mother and the sky is father, Papa and Wakea," said Marion Kelly, a University of Hawaii-Manoa Ethnic Studies professor. Chiefs managed the land and granted use rights, but no one owned it. "Does somebody own the wind, even though you use it for power?" asked Linda Delaney, a former staff member with the Office of Hawaiian Affairs.

# 1840



**The monarchy:** The Constitution of 1840, the Kingdom of Hawaii's first written constitution, declares all the islands' lands belong to the chiefs and people in common, with the king as trustee. It is an attempt to preserve the traditional land system, but concessions are made to foreigners who want to own land.

# 1848

**The Mahele:** Under increasing pressure to change the land tenure system and allow fee ownership, Kamehameha III in 1848 divides land with 245 chiefs. After the Mahele, or division, the king ends up with almost 2.5 million acres, the chiefs 1.5 million. He then divides his lands into two portions — some for the chiefs and people (the



Government Lands) and the rest for him (the King's Lands, later the Crown Lands). Westerners start buying.

# 1893

**The overthrow:** Sugar, business and political interests combine to overthrow Liliuokalani in 1893 and establish a provisional government seeking annexation to the U.S. The U.S. Minister conspires and lands armed forces, the basis for the federal apology President Clinton signs 100 years later. A new Republic of Hawaii takes the King's and Government lands — together called the public lands.



# 1896

**Annexation:** Congress in 1898 passes a resolution from Nevada U.S. Rep. Francis Newlands annexing Hawaii. President McKinley signs it. The republic cedes the public lands to the U.S. — the reason they are called the ceded lands. The Newlands resolution says revenues from the lands not used by the military will go solely to benefit the inhabitants of the islands.



# 1900

**The territory:** The Organic Act, passed by Congress in 1900, establishes a territorial government, gives it control of the public lands, and reaffirms the benefit purpose stated in the Newlands resolution. Liliuokalani sues in the U.S. Court of Claims to recover the Crown Lands, but loses.



# 1959 7/18

**Statehood:** Hawaii enters the Union in 1959 under the Admission Act. Title to most of the ceded lands is returned.

The act requires the state to hold the lands as a public trust, and gives five purposes, among them public schools, farm development and "the betterment of the conditions of native Hawaiians." Money goes to the schools.



# 1990

**The memorandum:** Gov. John Waihee, the state's first native Hawaiian governor, commits himself to settling the revenues issue. An agreement is reached with OHA.



The Legislature in 1990 under Act 304 clarifies the law and sets up a way to negotiate back payments. Three years later, a memorandum signed by both sides leads to OHA's getting \$134 million. But the memo does not cover "several matters" OHA claims is due.

# 1978

**The ConCon:** Riding a renaissance of Hawaiian culture and political awareness, the 1978 Constitutional Convention proposes an Office of Hawaiian Affairs, which would get a share of the income and proceeds coming from the sale or other use of the lands. Voters approve the amendments. In 1980, the state Legislature under Act 273 sets the share at 20 percent, presumably because native Hawaiians are one of five purposes in the Admission Act.



# 1994

**Back in court:** OHA sues in 1994 to get back payments from community hospitals and state affordable housing, and to expand the way duty-free concession revenues are calculated.



# 1983

**Lawsuits:** OHA in 1983 sues to get 20 percent of a settlement the state reached for an illegal sandmining operation, and the next year sues to get its share from harbors, Honolulu Airport and other uses of the lands. The state Supreme Court in 1987 says uncertainties in the law make it a political question.



# 1996

**Free concession revenues.** Judge Daniel Heely grants OHA's motions in July. Earlier, he also blocked the state's attempt to sell about 2,000 acres of the ceded lands. OHA makes strong overtures for talks with the state, but none are forthcoming.

BY JOAN CONROW  
Star-Bulletin

*5/18*

**A**S Peter Kama sees it, Hawaiian homesteaders have had it rough from the start.

The very first homesteads were hand-cleared by hopeful Molokai residents in 1921, said Kama, who heads Hui Kakoo Aina Hoopulapula, a support group for those still waiting for land. "All Hawaiian Homes did was bring in a truck to pull out the stumps. And, you know, of the 23 lots cleared, only eight (lease awards) were issued."

In the 75 years since, homesteaders haven't had much luck reversing that start. Fewer than half of the 39,000 Hawaiians believed eligible for land have even applied. Just 5,273 leases have been awarded, and a third of them are not in use. And 13,000 Hawaiians are still waiting for land, 589 of them for more than 25 years.

That isn't what Congress said it intended when it enacted the Hawaiian Homes Commission Act of 1920. The legislation, prompted

partly by fears that the Hawaiian race was fast disappearing, was intended to get Hawaiians back on their land, where they could be self-sufficient and preserve their native culture.

The major goals of the act, which set aside about 203,500 acres for homesteading by those with 50 percent or more Hawaiian blood, were protecting the land trust, providing water to the lands and helping Hawaiians build farms.

But sugar planters had a different objective, according to a 1991 report by the Hawaiian Advisory Committee to the U.S. Commission on Civil Rights. While supporting the act, they lobbied hard to have the most valuable agricultural lands exempted from the homelands trust.

Corporate interests ultimately prevailed, resulting in a trust that "consisted largely of the worst lands in the territory — remote, inaccessible, arid and unsuitable

PLEASE SEE ROUGH, A-8

### Still waiting

Number of applicants waiting for Hawaiian homelands since 1988:

YEAR	APPLICANTS
1988	17,643
1989	18,766
1990	20,007
1991	21,562
1992	23,536
1993	24,683
1994	26,023

\* Some counted more than once, because they're waiting for more than one type of property.

Source: Department of Hawaiian Homelands

### PROBLEMS

- Inside: Shoddy construction and disputes over land use and leases plague the program. A-8

### PROMISES

- Tomorrow: For the first time, the Hawaiian homesteads program has cash.

**FROM PAGE A-1**

suitable for productive development," the report states. Much of the best of what was left would be lost over the next 30 years. Territorial governors acting beyond their authority transferred 578 acres to other public agencies. And another 13,341 acres that weren't initially identified as part of the trust were sold.

**A lack of cash**

Although rich in marginal lands, the trust has always been cash poor. Until 1989, it was dependent on outside leases to generate operating income. Despite a provision in Hawaii's Constitution that requires the state to administer and support the act, it contributes just 27 cents of each dollar it takes to run the Department of Hawaiian Home Lands. "That's not priority at all," said Alan Murakami, an attorney with the Native Hawaiian Legal Corp. "That's hanging on by your fingernails."

Inadequate funding is just one reason why so many haven't made it onto the land. The program also has been plagued by mismanagement, prompting widespread alle-

gations of incompetence, favoritism, bureaucratic bumbling and political cronyism. Hawaiians, steadily losing confidence in the state-appointed administrators and commissioners who oversaw the trust, began pressing for major reform and redress for past wrongs. "They had been treated so shabbily that the native Hawaiian rights movement was an outgrowth of it," Murakami said.

It was in that politically charged climate that then-Gov. John Waihee and the state Legislature began looking at ways to resolve a host of claims against the trust. Lawmakers passed the landmark Native Hawaiian Judicial Relief Act in 1988, which gave beneficiaries a right to sue over past violations. And in 1993, lawmakers created an independent review committee to handle some 4,300 claims by beneficiaries that predated the right to sue.

**Back to negotiating table**

Meanwhile, Waihee convened a committee of his top administrators to resolve claims regarding state uses of trust lands. But when the panel proposed a \$12 million

settlement and lawmakers began pressing DHHL to sign a release against any future claims or actions, homestead beneficiaries sued. "The same crooks who took our land were deciding how much we should be paid," Kama said.

The courts ordered the state to return to the negotiating table, this time with an independent counsel to represent the beneficiaries. Edward C. King, former chief justice of the Federated States of Micronesia, was chosen for the job. The panel ultimately identified lands valued at more than \$1 billion that apparently were never brought into the trust, or were allowed out illegally. They arrived at a settlement of \$600 million, which lawmakers last year agreed to pay at the rate of \$30 million annually for 20 years. The present worth of such a promise is about \$310 million, because value is lost when the full amount isn't immediately invested.

Still, King thinks it was fair given the raft of legal questions that clouded some of the issues.

He is less comfortable with lawmakers' treating the \$600 million as final settlement of all violations

6/18

## Putting homelands to use

A total of 187,467 acres of land has been set aside statewide as Hawaiian homelands, but only 40,397 acres—about 21.5 percent—is actually in homestead use. Here is the breakdown by island, as of June 1994.

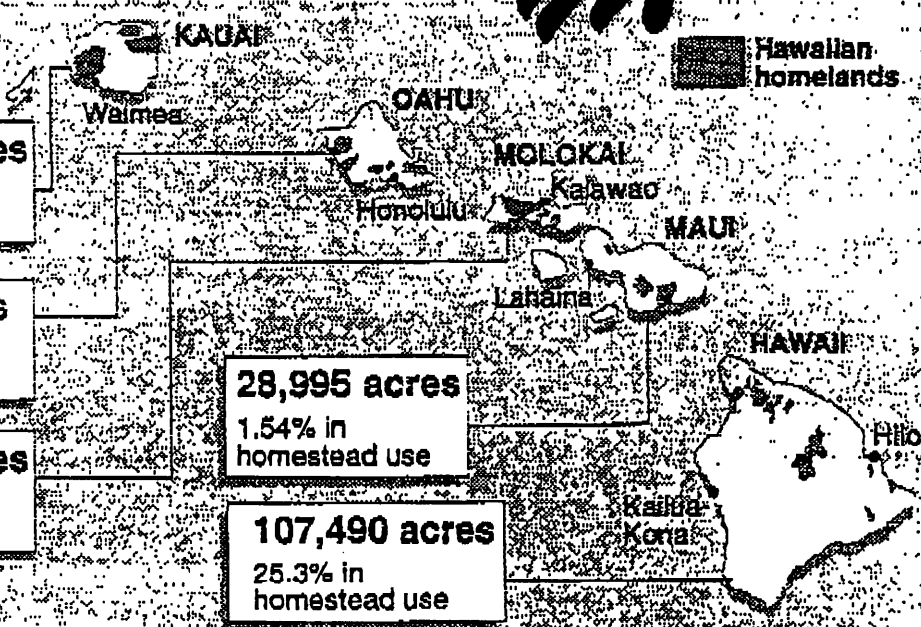
**18,558 acres**  
4.33% in homestead use

**6,586 acres**  
13.7% in homestead use

**25,366 acres**  
43.4% in homestead use

**28,995 acres**  
1.54% in homestead use

**107,490 acres**  
25.3% in homestead use



\*Does not include 16,000 acres being transferred from the state on all islands.

BY KEVIN HAND, Star-Bulletin

against the trust during the state's watch. "It's possible we didn't identify all the claims."

While the panel dealt with most, if not all, of the solid land disputes, he said, it never looked into other questionable lands or tackled such issues as improper water use and the agency's failure to use all its appropriated funds.

But if the settlement statute is challenged and any part found to be void or illegal, King said, then the statute says it would be void.

"And nobody's wanted to take that on their heads."

### Has the tide turned?

Many Hawaiians are waiting to see if the state will honor its latest promise to pay, especially in these tough economic times. Others, like Hawaiian Homes Chairman Kali Watson, think the tide of abuse and neglect has turned.

Besides the \$600 million settlement, the state is transferring

16,581 acres to the trust and Congress has agreed to convey other lands to compensate for 1,400 acres illegally taken or used by the federal government. These actions will make the trust whole for the first time in 76 years, Watson said. "A lot of the frustrations, anger and hostility of the Hawaiian people to the program are justified," he said.

"But now we need to look at the tremendous opportunities for this program to move ahead."

**LAND USE**

# Homelands are the cradle of a culture

What's lacking, some say,  
is a sense of stewardship  
among commissioners

By JOAN CONROW  
*Star-Bulletin*

The homelands are generally  
viewed as places for native  
Hawaiians to farm and live.

But some think their value goes  
beyond that.

"They are an important founda-  
tional block for Hawaiian cul-  
ture" and the land base of a sove-  
reign nation, said Hawaiian  
rights attorney Alan Murakami.  
And that entails a level of stew-  
ardship that some say has been  
lacking.

They say Hawaiian Homes  
commissioners focus too narrow-  
ly on building houses, with little  
thought to a broader manage-  
ment plan that protects the diver-  
sity of the trust's varied lands.

"Protecting natural and cultur-  
al resources should be one of  
their prime directives," said Ka-  
maki Kanahale, president of the  
State Council of Hawaiian Home-  
stead Associations.

Hawaiian Homes Chairman  
Kali Watson said the agency has  
no plans to change its approach.

And he is clear that commis-  
sioners alone should decide how  
homelands are managed, even  
concerning endangered species.

"I agree that Hawaiians should  
not be destroying their heritage,"  
Watson said. "But it should be  
our decision about what we want  
to do there. We still feel the state  
cannot pass any legislation that  
places an encumbrance on our  
lands, without the consent of  
Congress."

Watson hasn't shaken his  
stance that the agency is exempt  
from state endangered species  
laws, despite a recent opinion  
from state Attorney General  
Margery Bronster to the contrary.  
The issue surfaced when federal  
botanists disclosed that a cinder  
mining venture on a Big Island  
homestead leased to state Sen.  
Malama Solomon's mother would  
destroy much of what was left of a  
rare plant species.

Mike Buck, who runs the state  
Division of Forestry and Wildlife,  
thinks such showdowns can be  
avoided. Land exchanges, which  
Watson supports, are one way.  
But Buck said he thinks there are  
ways "to put people on the land  
and still protect resources and  
enhance revenues and habitat."

That might include reforestation  
Big Island pastures with native  
trees, he said, or expanding a  
Maui program where homestead-  
ers are settling remote, undevel-  
oped lots under a plan to restore  
the Kahikinui forest reserve.

Buck noted that other home-  
steaders, especially on Molokai,  
are managing hunting areas pre-  
viously run by his agency. He ap-  
plauds the shift. "Who better to  
manage native Hawaiian re-  
sources than Hawaiians?"

Watson said he also welcomes  
that kind of homesteader initia-  
tive in caring for the land. "I'm  
open to any kind of suggestion  
that will move the program  
along."

**LEASES**

## Do businesses get red carpet treatment?

Yes, say Hawaiians who feel they're treated like second-class citizens

BY ROD THOMPSON  
Big Island correspondent

**HILO** — The picture is clear to Patrick Kahawaiolaa: As long as Hawaiians don't have homes, no one should get commercial leases on Hawaiian homelands.

Kahawaiolaa has led opposition to the development of Waiakea Center, an 18-acre project featuring a Wal-Mart on Hawaiian homelands in Hilo.

A resident on his mother's lease land, Kahawaiolaa says the department has insulted his family members trying to get land. "How many others have they done this to?" he asked.

He says commercial lessees, mostly non-Hawaiians, get the red carpet treatment. "Their purpose is to get our land to make sure other people use it," he said.

Hawaiian Homes Chairman Kali Watson said such commercial leases are needed to generate money to put beneficiaries into homes.

Two Big Island projects alone will bring in \$2 million per year, he said. The Waiakea lease will generate \$850,000 and a 60-megawatt energy plant by Waimana Enterprises at Kawaihae would pay \$1.2 million yearly.

Both are headed by part-Hawaiians, a point which carries no weight with Kahawaiolaa.

Other leases produce up to \$5 million a year, Watson said. That can be used to get \$18 million in bond money, enough for roads, sewer and water lines for 500 homes a year.

"That's why it's so important to do these high-income general leases, because we can get (financial) leverage to move the program along," Watson said, noting that just 2.5 percent of all homestead land have such leases.

Kahawaiolaa said the department should just put homes on the 18-acre Waiakea site.

Make the Legislature kick in money, he said.

Kau'ilani Almeida, program director for the Panaewa community association near the Waiakea Center, also opposes it. But the community decided to accept reality and the first-time-ever payment by a commercial lessor of \$100,000 a year into a community nonprofit organization, she said.

The developer is also committed in writing to training Hawaiians and giving them the first shot at jobs in the center.

Her real preference: to end commercial leases and have homesteaders pay property taxes to the department instead of to the counties.

The Waimana power plant also faces opposition. Josephine Tanimoto, one of three beneficiaries who sued the department, demanding that Waimana do an environmental study, said the site for the plant was used by Kamehameha and contains burial grounds.

Four families living there are being forced out, she said.

**N**O battle over shoddy Hawaiian Homes construction is more vivid — or tragic — than the 18-year fight that ended in the death of Hilbert "Kahale" Smith.

But Smith, who torched his decrepit Kauai home during a Jan. 18 eviction for delinquent lease payments, is just one of many Hawaiians who spent years waiting, only to be awarded a new house in need of major repairs.

Henry Smith got a home in the same Anahola subdivision as his brother, and spent nearly two decades fighting over repairs before he was evicted last October.

Their neighbor, John "Butch" Kekahu, is still wrangling with the department to have his mortgage forgiven in lieu of repairs never made. He said he's kept up the struggle because "they're still doing the same mistakes today."

On the Big Island, pastor Henry Kahalehili looks back on three years of fighting the department, trying to get it to fix brand new, but substandard, termite-eaten homes in the Panaewa area of Hilo. "We've caught them in so many lies," he said.

Hawaiian Homes Chairman Kali Watson said most of the shoddy homes were built in the early 1970s. That was followed by a nearly 20-year hiatus before the department reentered the homebuilding business in 1991 with 50 houses in Panaewa.

But almost no eligible Hawaiians could afford the houses, which cost \$63,000 to \$74,000. The department had to go through 850 applicants to find 50 who qualified, said

community spokesman Kapa Maly.

The following year, termites were found. Finally the Legislature ordered Hawaiian Homes to spend \$3 million on repairs. But the department used \$1 million of that for legal fees to fight the homeowners, Maly said.

What most irks Smith, Kekahu and Kahalehili is that they didn't get the perfect new houses they paid for. Kahalehili said his stove, which doesn't meet contract specifications, is falling apart after just four years.

Watson said DHHL has taken steps to ensure that "there should never be another Panaewa," including inspecting all construction community spokesman Kapa Maly.

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Watson said DHHL has taken steps to ensure that "there should never be another Panaewa," including inspecting all construc-

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tion jobs twice weekly and imposing strict procedures for contract negotiations and management. He points to the new 271-home Princess Kahanu Estates subdivision in Lu-  
lualei on Oahu as an example of the department's ability to complete a quality project.

"It's beautiful, marvelous, but they had to go through 4,500 names to get enough people financially qualified," said Peter Kama, president of a support group for those on the waiting list. "So the already successful are getting good houses, but those who need to be rehabilitated are still not on the land."

Maly said the department shouldn't try to build houses for Hawaiians. "Give people access to self-help."

That's what's happening on Kauai, where the Office of Hawaiian Affairs approved a \$1.7 million interest-free loan to help Habitat for Humanity build 100 homes in Anahola. Sabra Kauka, who serves on Habitat's board of directors.

thinks the concept suits depressed, rural areas where homesteaders often have more time than money.

But not all homesteaders are prepared to pick up a hammer. A recent survey showed 34 percent of applicants expect the agency to build them houses. The survey also showed that many lessees expect DHHL to enforce community rules, fix plumbing, clean up fallen branches and fulfill other duties of a property manager, a role the agency isn't set up to play.

Watson said he is working to resolve those issues.

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## Gentle, steady protest led to a new way of thinking

Sonny Kaniho brought  
about a re-examination  
of non-Hawaiian leasing

By ROD THOMPSON

*Big Island correspondent*

WAIMEA, Hawaii — There was a time when Hawaiians just laughed at the thought of the Department of Hawaiian Home Lands doing something for them.

But that has changed, in large measure due to a gentle Big Island protester, Sonny Kaniho.

For more than two decades, Kaniho, 73, of Waimea, has put his cattle on Hawaiian Homes agricultural land leased to non-Hawaiians such as Parker Ranch. His protests led to a re-examination of the non-Hawaiian leasing, which the department now plans to abandon, Chairman Kaii Watson says.

"I don't know anyone else who should be given credit for

taking the lead," said retired judge Shunichi Kimura, who handled many of Kaniho's trespassing cases. "He made that very just cause very public."

Upon retiring from the Air Force as a sergeant in 1965, Kaniho returned to Hawaii and found himself talking with elderly Hawaiians waiting to receive Hawaiian Homes leases.

They had put their names on a waiting list in 1952. More than a decade later, they were still waiting. When they described it, they weren't mad; they just laughed.

When Kaniho investigated, the department told him no waiting list existed. Kaniho found it printed on the front page of a 1952 newspaper. The department finally reinstated it in 1983.

In 1974, Kaniho began his trademark protests now numbering close to a dozen. He trespassed by putting a few head of his own cattle on land leased to Parker Ranch.

He had no bad feelings about the ranch. In fact, he praised the ranch for helping his grandparents stay on their land in territorial days when Hawaiian Homes tried to kick them off.

But not everyone was so lucky, and he felt someone had to speak up. "If we don't demonstrate, it means we are happy waiting." Kimura said Kaniho turned to protesting only after trying to get government officials to listen and sifting through reams of documents.

"He must have gone through thousands of pages, unlike some who make a lot of noise," Kimura said.

Kaniho did break the law. But he was always civil in his manner and made no complaint when sentenced, Kimura said. "He never alibied; he never whined."

And he never stopped. As recently as Dec. 9 Kaniho put cattle on a 7,000-acre tract on the side of Mauna Kea leased to a non-Hawaiian. Kaniho was arrested but not charged.

# Supreme Court decision on

From staff and wire report

The Native Hawaiian Legal Corp. has applauded a U.S. Supreme Court decision to let stand a state court ruling benefiting a group of Hawaiian homestead applicants.

"We're extremely pleased because justice has frequently eluded the beneficiaries in the past," said attorney Paul N. Lucas, who represents Big Island applicants who want to lease large plots of homestead land for commercial ranching.

The justices, without comment, yesterday rejected the state attorney general's appeal of a March Hawaii Supreme Court ruling.

The state's high court had ruled

that the Hawaiian Homes Commission violated the due process rights of the self-named Aged Hawaiians group because it "failed to adequately consider their members' acknowledged desire for land sufficient to engage in commercial ranching."

Lucas said the Aged Hawaiians were not allowed to present their plans to the commission before it decided to issue pastoral lots ranging from 10 to 200 acres.

He told the court they were entitled to a hearing before the commission, the governing board of the Department of Hawaiian Home Lands.

State officials said the state court "effectively granted every native Hawaiian the right to a federally mandated evidentiary trial" before state

## Hawaiian homesteads praised

officials may grant homestead leases.

The state also challenged giving large lots to a few applicants because it would limit the land available for other beneficiaries.

Lucas said it was "a shame that the state attorney general's office spent taxpayers' dollars to pursue such a dubious appeal."

Congress in 1921 established the Hawaiian Homes Commission Act, a homesteading program for native Hawaiians that has been state-run since Hawaii became the 50th state in 1959.

There are some 200,000 acres of so-called Home Lands that are to be made available under the program, however. The state DHHL has awarded only about 38,000 acres to native Hawaiians so far.

Nearly 12,000 native Hawaiians remain on waiting lists for land even though state officials have leased thousands of acres to non-Hawaiians to raise capital for the homestead program.

There are three categories of homestead awards — agricultural, pastoral and residential.

The dispute concerns "pastoral lots" awarded to ranchers.

The lands at issue are located in the Waimea district on the Big Island and at Nienie, Puukapu, Kamoku and Kapulena.

The Aged Hawaiians sued in 1989 over the commission's refusal to award them enough acres to make commercial ranching economically viable.

# Health officials want to reclassify Hansen's disease

But the switch may send  
a wrong message, critics say

BY MARY ADAMSKI  
*Star-Bulletin*

Some people in the state Hansen's disease program are balking at a Department of Health plan to move them from the Communicable Disease Division to the Developmentally Disabled Division.

Bernard Punikaia told department officials that the classification may be seen as "another layer of potential discrimination and maybe a wrong message."

He and others questioned health officials yesterday in a meeting at Hale Mohalu hospital for leprosy patients in Honolulu. Similar concerns were raised at a meeting last week in Kalaupapa, the Molokai settlement that is home to about 70 patients.



**Bernard  
Punikaia**

"For many years we had to struggle against being labeled lepers," Punikaia said. "One thing that was said ... we were mentally unbalanced."

The Developmentally Disabled Division administers Waimano Home and other care programs for mentally retarded people, as well as programs for people who have been severely crippled by diseases such as cerebral palsy or injuries such as spinal trauma.

The switch in divisions will not change the facilities where the long-time Hansen's disease patients are guaranteed care, said Dr. Richard Vogt, chief of Communicable Diseases Division.

Stanley C. Yee, chief of the Developmentally Disabled Division, said that new titles will be created for the branches. He said the switch is being made "because of our focus, we are one of the few divisions actually working closely with (afflicted) people." The division has experience operating institutional services such as Waimano Home.

"Our people have also had discrimination," Yee told the patients. "They have been called imbeciles, morons and shunted away to the back wards. We've got similar battles."

Vogt said the reconstruction of the Health Department reflects the state government budget crisis. The department has already lost 400 positions. Eight positions were cut from the Hansen's disease program, which is largely federally funded.

"For you this is jobs, but it deals with our lives," said Makia Malo. "It's always been that way. The Health Department makes a policy statement that affects patients. 'You're wards ... so behave like wards,' is the implication when patients are not consulted."

Punikaia said patients have faced so many upheavals in the administration of their living conditions that "it stirs up our inner feelings when anything changes the status quo."

The two men are among about 75 remaining patients in Hawaii who contracted the disease before medication was developed to control it.

The state Legislature passed laws guaranteeing free care and residency at Kalaupapa for life for those historical patients.

# Presidential approval of bill expected

By Christopher Neil  
Advertiser Staff Writer

The U.S. House yesterday followed the Senate's lead and voted to compensate Native Hawaiians for land illegally seized more than 60 years ago.

The House bill sets up a process for compensating Native Hawaiians for about 1,400 acres - most of it at Lualualei -

illegally transferred between 1921 and 1959.

It requires the interior secretary to set a price for the land within a year after the legislation becomes law and also estimate the income lost while the property was in military control.

Land of equal value - excluding income-producing land, state parkland and ceded lands - would then be turned over to the Department of Hawaiian Home Lands as compensation.

The House voted 392-10 on the bill, modeled after legislation authored by Sen. Daniel Akaka, D-Hawaii, and passed by the Senate on Aug. 14.

A jubilant Akaka said the value of the 1,400 acres and the lost income will exceed \$75 million and added he expects



President Clinton to sign the bill in the next two weeks.

"The overwhelming House vote... is a

\_\_\_\_\_ vindication for Native Hawaiians who had lost hope that this long-standing issue would ever be resolved," Akaka said.

Kali Watson, chairman of the

state Department of Hawaiian Home Lands, said: "It is a great moment for the Native Hawaiian people that the federal government, through congressional action, has recognized that a wrong was committed in the past."

There are deep historical roots behind the wrong that the House legislation is designed to set right. Congress in 1921 passed the Hawaiian Homes Commission Act, setting aside 203,000 acres for Native Hawaiians - people with 50 percent or more Hawaiian blood.

The federal law creating the commission said powers of the

governor and territorial land commissioner did not extend to Hawaiian homelands except under a leasing arrangement.

Nevertheless, about 30,000 of those acres were transferred to the federal government by territorial governors between 1921 and statehood in 1959, when the Hawaiian Homes program became a state responsibility.

In 1984, then-Gov. George Ariyoshi ordered most of the land returned to the Department of Hawaiian Home Lands. But 1,356 acres at Lualualei, now used by the Navy for munitions storage and a communications station, remained in federal hands.

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## Some native Hawaiians say Inouye hasn't helped much.

BY KIM MURAKAWA  
Star-Bulletin

While many native American Indians revere U.S. Sen. Daniel K. Inouye, some of the native Hawaiians he represents don't trust him.

Native Americans praise Inouye for securing more federal funding for American Indian health and education programs than any other legislator who has led the Senate Indian Affairs Committee. Some native Hawaiians say only in the last decade has Inouye begun to pay attention to their needs.

"Where has he been?" said Kamaki Kanahale, chairman of the State Council of Hawaiian Homestead Associations. Kanahale said that's the question Hawaiians have asked about Inouye's first 27 years in Congress.

Inouye defended his work in a recent interview, saying he's taken much criticism from those outside the state for the millions in federal dollars directed toward native Hawaiian health, education and cultural programs over the years.

"I would like to believe I've done just as much for native Hawaiians, if not more," Inouye said.

Some sovereignty leaders remain wary.

"Take a look at the statistics . . . You're going to be very shocked to find that hundreds of millions of dollars have come into this state for Hawaiians . . . but it has not changed the condition of Hawaiians," said Milliani Trask, governor of Ka Lahui Hawaii. Although funding has come to the state, it flows only to a few

Hawaiians by the senator's design, Trask said.

Inouye maintains that he has done his part for native Hawaiians, who make up 12 percent to 19 percent of his 1.1 million constituents.

"So, are they blaming me?" he said. "You know the money comes in, (but) somebody else administers the money, not me."

Rolf Nordahl, former press secretary for the self-proclaimed Nation of Hawaii, said statistics still show native Hawaiians at the bottom of every socioeconomic indicator.

"What can Sen. Inouye take credit for?" Nordahl said.

Kanahale said Inouye's image among some native Hawaiians has begun to improve in the last 10 years. He cites the senator's efforts in last year's return of Kahoolawe to the state, his channeling of federal dollars to native Hawaiian programs and his ability to focus congressional attention on the issue of Hawaiian homelands.

"These things take a while," Inouye said. "It took me a while to become chairman of a committee."

In the five years Inouye served as chairman of the Indian affairs committee, he quickly won the respect of many native American Indians.

"I think that Indian people feel that Sen. Inouye respects them, and the respect that they feel from him then is returned to him," said James K. Kawahara, a staff attorney with the Washington, D.C., office of the Native American Rights Fund, a non-profit legal group.

Last February, Inouye received a standing ovation at a meeting of the National Congress of American Indians, Kawahara said.

Bill Tiger, president of the Intertribal Council of Hawaii, said:

"He told us he's been trying to right all the wrongs done in the last hundred years."



Kamaki  
Kanahale

# UHers ride a Rainbow on campus

The shuttle service, paid for by parking fees, is a bright spot at Manoa

BY PAT OMANDAM  
Star-Bulletin

**A** growing number of University of Hawaii students say there is a bright spot in the university's dark fiscal times: the Rainbow Shuttle.

"Finally, something the university really needs, they get," UH senior Floyd Casem said.

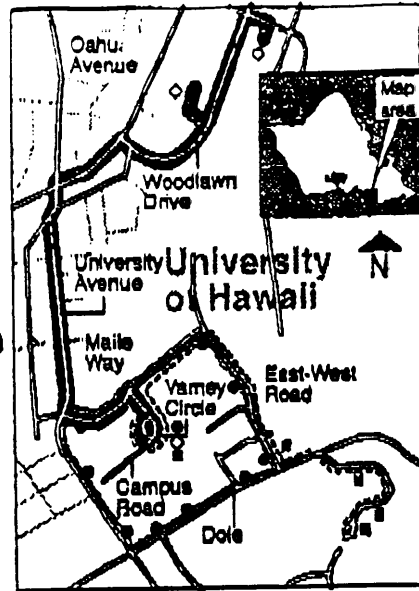
"It's pretty good," said Jofrey Ruiz, a UH sophomore. "It's convenient. The buses are usually on time and it's free. You just get in."

Since Aug. 21, five "Rainbow Shuttles" have been moving students, faculty, staff and visitors around the Manoa campus for free — and without taking precious funds from important programs like the UH libraries.

The shuttles also transport students and faculty from dormitories and UH housing to campus. Part of UH's long-range plan to eliminate all vehicles, including mopeds, from the upper campus, the shuttle program is being funded by parking revenue, said Darryl Nohara, manager of UH Parking and Transportation Services.

"Parking operations are self-sustaining," Nohara said. "So we get no general funds and no state funds. Our revenues come from parking permits, daily parking fees and citations."

The university recently signed a five-year renewable contract with E



## Free ride

University of Hawaii continuous free shuttle bus service. Monday through Friday from 7:00 a.m. to 5:00 p.m.

### Campus route

### Dorm route

### Manoa faculty housing

- Campus bus stop
- Dorm bus stop
- ◇ Manoa faculty bus stop

Noa Tours to provide shuttle service for the academic year. The contract, which calls for E Noa to provide five buses, cost \$300,000 this year.

With the service starting as the university grapples with a \$27.8 million budget cut this year, Nohara said some people may get the wrong impression.

"You have people that don't understand where the money is coming from and they feel like priorities are a little screwed up at the university at this time," Nohara said.

The transportation office issues about 2,000 moped parking and 2,100 automobile parking permits each semester. It also imposes a \$3 daily fee for all visitors parking on campus or in its 900-stall parking structure. The office also collects parking revenue from activities at the UH Special Events Arena.

Nohara expects the office to collect \$3.5 million in revenue this year.

"Because of the shortage of parking on campus, we like to feel that we use the money (collected) to subsidize alternative means of transportation to discourage people to bring their vehicles on campus," he said.

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*Finally, something the university really needs, they get.*

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UH senior Floyd Casem

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Casem, 22, a Wahiawa resident, said he would have welcomed the service years ago. In past years, the computer science major drove into town and parked near the Varsity Theaters. There, he would unload his bicycle and ride to classes.

Nowadays, instead of riding his bicycle on campus, Casem leaves it at the nearest dorm and takes the shuttle to get around campus.

"I use it everywhere. My classes are far from each other," he said.

Ruiz, who lives in Hale Aloha Lehua Tower dorm, said more and more students are discovering the air-conditioned buses. "It's a lot better than walking in this hot weather."