June 25, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 25, 2025, the following bill was signed into law:

H.B. NO. 1348, H.D. 2,

RELATING TO PUBLIC LANDS.

S.D. 2, C.D. 1

ACT 225

Mahalo,

Josh Green, M.D.

Governor, State of Hawai'i

oh Green M.D.

on JUN 2 5 2025

HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII ACT 225 H.B. NO. 1348 H.D. 2 S.D. 2 C.D. 1

A BILL FOR AN ACT

RELATING TO PUBLIC LANDS.

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

- 1 SECTION 1. The purpose of this Act is to establish a
- 2 lottery system for the leasing of cabins on public lands for
- 3 recreation-residence use.
- 4 SECTION 2. Section 171-1, Hawaii Revised Statutes, is
- 5 amended by adding two new definitions to be appropriately
- 6 inserted and to read as follows:
- 7 ""Good standing" means the status of a lessee who is in
- 8 full compliance with the lessee's obligations under the lease.
- 9 "Recreation-residence" means a part-time residence for
- 10 occasional, recreational use and not for continuous occupancy by
- 11 the lessee or lessee's family, friends, and guests."
- 12 SECTION 3. Section 171-7, Hawaii Revised Statutes, is
- 13 amended to read as follows:
- 14 "\$171-7 General duties of the board. Except as provided
- 15 by law, the board of land and natural resources through the
- 16 chairperson shall:
- 17 (1) Maintain an accurate inventory of public lands;

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H.B. NO. H.D. 2 S.D. 2

1	(2)	rievent illegal activities on, unlawful occupation of,
2		or trespassing on public lands;
3	(3)	Cause all trespassers and persons unlawfully occupying
4		public lands, and their effects, and all animals
5		trespassing on the lands to be removed therefrom and
6		to impound the animals according to law;
7	(4)	Enter on any public land in order to take possession
8		thereof, and to resume possession of, any public land
9		in case of surrender, forfeiture, or escheat;
10	(5)	Enforce contracts respecting sales, leases, licenses,
11		permits, or other disposition of public lands;
12	(6)	Conduct all public auctions, lotteries, and sales
13		pertaining to the disposition of public lands and
14		other property authorized by the board;
15	(7)	Recover money due the State for damage done to any
16		public lands by wrongful entry and occupation or by
17		wrongful removal therefrom or destruction of any
18		property;
19	(8)	Bring [such] actions and proceedings as may be
20		necessary to carry out the powers and duties of the
21		board in the name of the State and [to] defend [such]

1		these actions brought against the State as may be
2		authorized;
3	(9)	Keep a record of all official transactions $[\tau]$ relating
4		to public lands within the chairperson's jurisdiction
5		[and such record], which shall be a public record; and
6	(10)	Administer oaths in all matters pertaining to the
7		administration of the public lands."
8	SECT	ION 4. Section 171-44, Hawaii Revised Statutes, is
9	amended t	o read as follows:
10	"§17	1-44 Lease for recreation-residence use. [+] (a) [+]
11	Notwithst	anding any limitations to the contrary, the board of
12	land and	natural resources [may] shall lease, by [direct
13	negotiati	on] public lottery and without recourse to public
14	auction,	lands within a state park or forest reserve and other
15	lands set	aside under executive orders, for recreation-residence
16	use for a	period not to exceed twenty years on [such] terms and
17	condition	s as may be prescribed by the board[+]; provided that:
18	(1)	A lessee determined to be in good standing by the
19		board at the expiration of the lessee's lease may
20		directly negotiate with the board to renew the lease
21		for an additional term not to exceed twenty years;

1	(2)	The annual rent for any renewed lease shall be	
2		adjusted by the board to reflect changes to the	
3		implicit price deflator for the gross domestic product	
4		as published by the Bureau of Economic Analysis,	
5		applied on a five-year rolling average; and	
6	(3)	A lessee shall notify the board in writing no less	
7		than sixty days before the termination of the lease if	
8		the lessee intends to renew the lease.	
9	[+](b)[+] The [+]board[+] of land and natural resources	
10	shall enforce all provisions of [recreation-residential]		
11	recreation-residence use lease agreements and shall establish a		
12	schedule	of penalties and fines for any breach of the provisions	
13	of a [reç	reation-residential] recreation-residence use lease	
14	agreement	unless penalties and fines are specified in the lease	
15	agreement.		
16	<u>(c)</u>	Recreation-residence use leases offered by public	
17	<pre>lottery shall be:</pre>		
18	(1)	Offered at fair market value, to be determined by	
19		appraisal pursuant to section 171-17;	
20	(2)	Limited to one person per recreation-residence;	
21		provided that if two or more lessees intend to jointly	

	reside in the same recreation-residence, only one
	lessee may enter the public lottery; and
<u>(3)</u>	For vacant recreation-residences, offered within
	twelve months of the recreation-residence becoming
	vacant.
(d)	The board shall limit participation in the public
lottery o	f recreation-residence use leases to residents of the
same coun	ty in which the land to be leased is located; provided
that limi	ting participation in the public lottery to residents
of the co	unty will be for the benefit of the residents of the
county; e	nsure premises leased will be properly maintained by
the lesse	e; and preserve the environmental, cultural, and scenic
values of	the leased premises. If the number of county
residents	participating in the public lottery is fewer than the
number of	leases available, the board shall open the public
lottery t	o all residents of the State, followed by nonresidents.
<u>(e)</u>	Any transfer or assignment of a recreation-residence
use lease	shall be subject to a fee of \$1,200, to be paid to the
board. T	he board shall annually increase or decrease the fee to
	hanges to the implicit price deflator for the gross
	(d) lottery o same coun that limi of the co county; e the lesse values of residents number of lottery t (e) use lease

- 1 domestic product as published by the Bureau of Economic
- 2 Analysis, applied on a five-year rolling average."
- 3 SECTION 5. This Act does not affect rights and duties that
- 4 matured, penalties that were incurred, and proceedings that were
- 5 begun before its effective date.
- 6 SECTION 6. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 7. This Act shall take effect on July 1, 2025.

APPROVED this 25th day of June , 2025

GOVERNOR OF THE STATE OF HAWAII

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

Nadine K. Nakamura

Speaker

House of Representatives

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Madrie K. Mahr

Brian L. Takeshita

Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

President of the Senate

Clerk of the Senate