## A BILL FOR AN ACT

RELATING TO REAL PROPERTY.

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

1	SECTI	ON 1	. Section 171-30, Hawaii Revised Statutes, is
2	amended by	ame	nding subsection (e) to read as follows:
3	<b>"</b> (e)	The	appraisal of private property to be acquired by
4	the State	may	be performed by not more than three disinterested
5	appraisers [whose services shall be contracted for by the State,		
6	and no]. For land acquisitions pursuant to chapter 173A, the		
7	attorney general may:		
8	(1)	Revi	ew, approve, and accept an existing appraisal if:
9		( <u>A)</u>	The appraisal was completed within six months
10			before the decision by the board approving the
11			acquisition of the property; and
12		(B)	The attorney general finds that the appraisal was
13			performed according to the accepted professional
14			standards for appraisals of real property; or
15	(2)	Cont	ract for independent appraisals from no more than
16		thre	e disinterested appraisers.
17	No land shall be purchased for a sum greater than the		
18	highest value fixed by the appraiser or appraisals; provided		
	SB3084 SD2 LRB 06-2702.doc		



- 1 that the State, after review by the attorney general of the
- 2 appraisals by the appraiser or appraisers [<del>or the attorney</del>
- 3 general], may purchase the property at a value greater than the
- 4 highest value if, after consultation with the department or
- 5 another independent appraiser, the higher value is determined by
- 6 [the appraiser or appraisers or] the attorney general to be
- 7 justified and within the range of market value; provided further
- 8 that this limitation shall not apply where acquisition is by
- 9 condemnation. After the private property has been acquired or
- 10 the State abandons the acquisition, these appraisal reports
- 11 shall be available for inspection and copying by the public."
- 12 SECTION 2. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 3. This Act shall take effect upon its approval.

SB3084, SD2

## Report Title:

Real Property; State Acquisitions; Appraisals

## Description:

Clarifies the appraisal process for state acquisitions of real property; permits State to purchase land at a cost higher than appraisal if the Attorney General determines higher cost is justified. (SD2)