# A BILL FOR AN ACT

RELATING TO HAWAIIAN HOME LANDS.

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

- 1 SECTION 1. This Act shall be known and may be cited as the
- 2 "Hawaiian Home Lands Preservation Act".
- 3 SECTION 2. The Hawaiian Homes Commission Act, 1920, as
- 4 amended, is amended by adding a new section to title 2 to be
- 5 appropriately designated and to read as follows:
- 6 "S . Beneficiaries on waitlist; successors.
- 7 Notwithstanding any provision of this Act to the contrary, a
- 8 living beneficiary's place on the department of Hawaiian home
- 9 lands' waitlist for any residential, agricultural, or pastoral
- 10 tract available pursuant to this Act may be designated for
- 11 transfer to a successor if the living beneficiary dies before
- 12 receiving an offer for a tract; provided that the successor
- 13 shall be at least one thirty-second Hawaiian. The department of
- 14 Hawaiian home lands shall implement this provision at the sole
- 15 discretion of the Hawaiian homes commission."

1 SECTION 3. Section 207, Hawaiian Homes Commission Act, 2 1920, as amended, is amended by amending subsection (a) to read 3 as follows: "(a) The department is authorized to lease to native 4 5 Hawaiians or qualified application successors the right to the 6 use and occupancy of a tract or tracts of Hawaiian home lands 7 within the following acreage limits per each lessee: (1) not more than forty acres of agriculture lands or lands used for 9 aquaculture purposes; or (2) not more than one hundred acres of 10 irrigated pastoral lands and not more than one thousand acres of 11 other pastoral lands; or (3) not more than one acre of any class 12 of land to be used as a residence lot; provided that in the case 13 of any existing lease of a farm lot in the Kalanianaole 14 Settlement on Molokai, a residence lot may exceed one acre but 15 shall not exceed four acres in area, the location of such area 16 to be selected by the department; provided further that a lease 17 granted to any lessee may include two detached farm lots or 18 aquaculture lots, as the case may be, located on the same island 19 and within a reasonable distance of each other, one of which, to 20 be designated by the department, shall be occupied by the lessee 21 as the lessee's home, the gross acreage of both lots not to

- 1 exceed the maximum acreage of an agricultural, pastoral, or
- 2 aquacultural lot, as the case may be, as provided in this
- 3 section."
- 4 SECTION 4. Section 208, Hawaiian Homes Commission Act,
- 5 1920, as amended, is amended to read as follows:
- 6 "\$208. Conditions of leases. Each lease made under the
- 7 authority granted the department by section 207 of this Act, and
- 8 the tract in respect to which the lease is made, shall be deemed
- 9 subject to the following conditions, whether or not stipulated
- 10 in the lease:
- 11 (1) The original lessee shall be a native Hawaiian or a
- qualified application successor, not less than
- eighteen years of age. In case two lessees either
- 14 original or in succession marry, they shall choose the
- 15 lease to be retained, and the remaining lease shall be
- transferred, quitclaimed, or canceled in accordance
- with the provisions of succeeding sections.
- 18 (2) The lessee shall pay a rental of \$1 a year for the
- tract and the lease shall be for a term of ninety-nine
- years; except that the department may extend the term
- of any lease; provided that the approval of any

extension shall be subject to the condition that the
aggregate of the initial ninety-nine year term and any
extension granted shall not be for more than one
nundred ninety-nine years.

- (3) The lessee may be required to occupy and commence to use or cultivate the tract as the lessee's home or farm or occupy and commence to use the tract for aquaculture purposes, as the case may be, within one year after the commencement of the term of the lease.
- (4) The lessee thereafter, for at least such part of each year as the department shall prescribe by rules, shall occupy and use or cultivate the tract on the lessee's own behalf.
- otherwise hold for the benefit of, any other person or group of persons or organizations of any kind, except a native Hawaiian or Hawaiians, and then only upon the approval of the department, or agree so to transfer, or otherwise hold, the lessee's interest in the tract; except that the lessee, with the approval of the department, also may transfer the lessee's interest in

the tract to the following qualified relatives of the
lessee who are at least one-quarter Hawaiian: husband,
wife, child, or grandchild. A lessee who is at least
one-quarter Hawaiian who has received an interest in
the tract through succession or transfer may, with the
approval of the department, transfer the lessee's
leasehold interest to a brother or sister who is at
least one-quarter Hawaiian. Such interest shall not,
except in pursuance of such a transfer to or holding
for or agreement with a native Hawaiian or Hawaiians
or qualified relative who is at least one-quarter
Hawaiian approved of by the department or for any
indebtedness due the department or for taxes or for
any other indebtedness the payment of which has been
assured by the department, including loans from other
agencies where such loans have been approved by the
department, be subject to attachment, levy, or sale
upon court process. The lessee shall not sublet the
lessee's interest in the tract or improvements
thereon; provided that a lessee may be permitted, with
the approval of the department, to rent to a native

Hawaiian or Hawaiians, lodging either within the
lessee's existing home or in a separate residential
dwelling unit constructed on the premises.

Notwithstanding the provisions of paragraph (5), the 4 (6) 5 lessee, with the consent and approval of the 6 commission, may mortgage or pledge the lessee's 7 interest in the tract or improvements thereon to a recognized lending institution authorized to do 8 9 business as a lending institution in either the State 10 or elsewhere in the United States; provided the loan 11 secured by a mortgage on the lessee's leasehold interest is insured or guaranteed by the Federal 12 13 Housing Administration, Department of Veterans 14 Affairs, or any other federal agency and their 15 respective successors and assigns, which are 16 authorized to insure or guarantee such loans, or any 17 acceptable private mortgage insurance as approved by 18 the commission. The mortgagee's interest in any such 19 mortgage shall be freely assignable. Such mortgages, 20 to be effective, must be consented to and approved by the commission and recorded with the department. 21

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Further, notwithstanding the authorized purposes
of loan limitations imposed under section 214 of this
Act and the authorized loan amount limitations imposed
under section 215 of this Act, loans made by lending
institutions as provided in this paragraph, insured or
guaranteed by the Federal Housing Administration,
Department of Veterans Affairs, or any other federal
agency and their respective successors and assigns, or
any acceptable private mortgage insurance, may be for
such purposes and in such amounts, not to exceed the
maximum insurable limits, together with such
assistance payments and other fees, as established
under section 421 of the Housing and Urban Rural
Recovery Act of 1983 which amended Title II of the
National Housing Act of 1934 by adding section 247,
and its implementing regulations, to permit the
Secretary of Housing and Urban Development to insure
loans secured by a mortgage executed by the homestead
lessee covering a homestead lease issued under section
207(a) of this Act and upon which there is located a
one to four family single family residence.

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1	(7)	The lessee shall pay all taxes assessed upon the tract
2		and improvements thereon. The department may pay such
3		taxes and have a lien therefor as provided by section
1		216 of this Act

- (8) The lessee shall perform such other conditions, not in conflict with any provision of this Act, as the department may stipulate in the lease; provided that an original lessee shall be exempt from all taxes for the first seven years after commencement of the term of the lease."
- SECTION 5. This Act does not affect rights and duties that
  matured, penalties that were incurred, and proceedings that were
  begun before its effective date.
- SECTION 6. The provisions of the amendments made by this

  Act to the Hawaiian Homes Commission Act, 1920, as amended, are

  declared to be severable, and if any section, sentence, clause,

  or phrase, or the application thereof to any person or

  circumstances is held ineffective because there is a requirement

  of having the consent of the United States to take effect, then

  that portion only shall take effect upon the granting of consent

- 1 by the United States and effectiveness of the remainder of these
- 2 amendments or the application thereof shall not be affected.
- 3 SECTION 7. New statutory material is underscored.
- 4 SECTION 8. This Act shall take effect on either the date
- 5 of the Secretary of the Interior's notification letter to the
- 6 Congressional Committee Chairmen that this Act meets none of the
- 7 criteria in title 43 Code of Federal Regulations section 48.20
- 8 necessitating congressional approval, or on the date that the
- 9 United States Congress' approval becomes law.

### Report Title:

DHHL; Hawaiian Home Lands Preservation Act; Waitlist; Successors

### Description:

Provides that a living beneficiary's place on the Department of Hawaiian Home Land's waitlist for any residential, agricultural or pastoral tract may be designated for transfer to a successor if the living beneficiary dies before receiving an offer for a tract; provided that the successor shall be at least 1/32 Hawaiian. Takes effect on either the date of the Secretary of the Interior's notification that congressional approval of this Act is unnecessary, or on the date of consent by the United States Congress. (SD1)

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