

1 "Interest in proximate land" means all direct interest
2 acquired, transferred, or held in land, including, without
3 limitation, a lease of proximate land:

- 4 (1) For a term of one year or longer; or
- 5 (2) That is renewable by option for terms that, if
6 exercised, would be for a term of one year or longer.

7 "Prohibited foreign party" means:

- 8 (1) Any natural person who is not a United States citizen;
9 or
- 10 (2) Any business, entity, or organization in which a
11 significant interest or substantial control is
12 directly or indirectly held or is capable of being
13 exercised by natural persons who are not United States
14 citizens.

15 "Proximate land" means land or real property located within
16 ten miles of any military or land within Hawaii.

17 "Real property" means lands, structures, and interests
18 therein and natural resources including water, minerals, and all
19 things connected with land, including lands under water and
20 riparian rights, space rights, air rights, and any and all other
21 things and rights usually included within the term.



1 "Resident alien" means a person who:

2 (1) Is not a citizen of the United States; and

3 (2) Is a resident of a United States state, territory,
4 trusteeship, or protectorate.

5 "Significant interest" or "substantial control" means:

6 (1) An interest of thirty-three per cent or more held by a
7 prohibited foreign party;

8 (2) An interest of thirty-three per cent or more held by
9 more than one prohibited foreign party if the parties
10 are acting in concert with respect to the interest,
11 even if no single prohibited foreign party holds an
12 interest of thirty-three per cent or more; or

13 (3) An interest of fifty per cent or more, in aggregate,
14 held by prohibited foreign parties, regardless of
15 whether the prohibited foreign parties are acting in
16 concert.

17 § -2 **Office of intelligence; established.** There is
18 established within the department of defense an office of
19 intelligence, which, for the purposes of this chapter, shall:



1 (1) Collect and analyze information concerning the
2 unlawful sale or possession of land by foreign
3 parties; and

4 (2) Administer and enforce the provisions of this chapter,
5 including the reporting of violations to the attorney
6 general as provided in section -5.

7 § -3 **Restrictions on ownership of lands in close**
8 **proximity to military installations or lands.** (a)

9 Notwithstanding any other law to the contrary, a prohibited
10 foreign party shall not acquire by grant, purchase, devise,
11 descent, or otherwise, any interest in proximate land in the
12 State.

13 (b) A person shall not hold proximate land as an agent,
14 trustee, or other fiduciary for a prohibited foreign party in
15 violation of this chapter.

16 (c) A prohibited foreign party that acquires proximate
17 land in violation of this chapter remains in violation as long
18 as the prohibited foreign party holds an interest in the land.

19 § -4 **Divestment.** A prohibited foreign party that owns
20 proximate land shall sell, transfer, or divest an interest it
21 holds in proximate land no later than years of the



1 effective date of Act , Session Laws of Hawaii 2025. If the
2 prohibited foreign party fails to do so, the attorney general
3 shall initiate a civil action pursuant to section -5.

4 § -5 **Enforcement.** (a) If the office of intelligence
5 determines a prohibited foreign party has acquired or is
6 maintaining its interests in proximate land in the State in
7 violation of this chapter, the office shall report the violation
8 to the attorney general.

9 (b) Upon receiving a report under subsection (a), the
10 attorney general may investigate to determine if there is a
11 violation of this chapter. In conducting the investigation, the
12 attorney general may issue subpoenas requiring the:

- 13 (1) Appearance of witnesses;
- 14 (2) Production of relevant records; and
- 15 (3) Giving of relevant testimony.

16 (c) Following the investigation, if the attorney general
17 concludes that a violation of this chapter has occurred, the
18 attorney general shall initiate a civil action in the circuit
19 court in the county in which the proximate land is located for
20 the forfeiture of the interest in proximate land.



1 (d) If the circuit court determines that the interest in
2 proximate land is being held in violation of this chapter, the
3 circuit court shall order that the interest in proximate land be
4 sold as provided in section -7.

5 § -6 **Filings required.** The attorney general shall
6 promptly record the following filings with the bureau of
7 conveyances:

8 (1) Upon commencement of an action under this chapter, a
9 notice of the pendency of the action; and

10 (2) An order for the sale of proximate land under
11 section -5(d).

12 § -7 **Court-ordered sale of proximate land.** If the court
13 orders the sale of an interest in proximate land under
14 section -5(d), the proximate land shall be sold subject only
15 to the rights and interests of bona fide lienholders. Proceeds
16 from the sale, if any, shall be disbursed to lien holders, in
17 the order of priority, except for liens that, under the terms of
18 the sale, are to remain with the proximate land.

19 § -8 **Penalty.** A prohibited foreign party that violates
20 this chapter shall be guilty of a class C felony.



1 § **-9 Resident aliens; no affirmative defense.** It shall
2 not be an affirmative defense to prosecution under this chapter
3 that a prohibited foreign party is a resident alien.

4 § **-10 Title to land not invalid.** Title to proximate
5 land is not invalid or subject to divesture due to a violation
6 of this chapter by any:

- 7 (1) Former owner; or
8 (2) Other person holding or owning a former interest in
9 the proximate land.

10 § **-11 No duty to inquire.** No person who is not subject
11 to this chapter shall be required to determine or inquire
12 whether another person is subject to this chapter.

13 § **-12 Rules.** The department of the attorney general may
14 adopt rules pursuant to chapter 91 necessary for the purposes of
15 this chapter."

16 SECTION 3. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2025-2026 and
19 the same sum or so much thereof as may be necessary for fiscal
20 year 2026-2027 to establish an office of intelligence, including



1 the establishment of full-time equivalent (FTE)
2 positions.

3 The sums appropriated shall be expended by the department
4 of defense for the purposes of this Act.

5 SECTION 4. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun before its effective date.

8 SECTION 5. This Act shall take effect on July 1, 2025.

9

INTRODUCED BY:

A handwritten signature in black ink, consisting of a large, stylized initial 'B' followed by a smaller, cursive signature.

S.B. NO. 1006

Report Title:

Real Property; Proximate lands; AG; Restrictions on Foreign Ownership; Appropriations

Description:

Prohibits certain foreign parties from owning, purchasing, or acquiring an interest in lands located within 10 miles of a military installation or land within the State. Establishes an Office of Intelligence within the Department of Defense to investigate claims that land is unlawfully owned by a prohibited foreign party. Requires the Attorney General to undertake enforcement activities. Appropriates moneys.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

