

JAN 17 2025

A BILL FOR AN ACT

RELATING TO PROPERTY.

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

1 SECTION 1. The legislature finds that security is vital to
2 the safety of the State. The legislature believes that this
3 security is compromised when foreign actors own land in close
4 proximity to military installations or lands.

5 Accordingly, the purpose of this Act is to prohibit
6 foreigners from owning lands within ten miles of military
7 installations or lands.

8 SECTION 2. The Hawaii Revised Statutes is amended by
9 adding a new chapter to title 11 to be appropriately designated
10 and to read as follows:

11 **"CHAPTER**

12 **LANDS NEAR MILITARY INSTALLATIONS OR LANDS;**

13 **FOREIGN OWNERSHIP PROHIBITED**

14 § -1 **Definitions.** As used in this chapter, unless the
15 context otherwise requires:



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.



"Resident alien" means a person who:

- (1) Is not a citizen of the United States; and
- (2) Is a resident of a United States state, territory, trusteeship, or protectorate.

"Significant interest" or "substantial control" means:

- (1) An interest of thirty-three per cent or more held by a prohibited foreign party;
- (2) An interest of thirty-three per cent or more held by more than one prohibited foreign party if the parties are acting in concert with respect to the interest, even if no single prohibited foreign party holds an interest of thirty-three per cent or more; or
- (3) An interest of fifty per cent or more, in aggregate, held by prohibited foreign parties, regardless of whether the prohibited foreign parties are acting in concert.

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



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

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

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

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

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

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

§ -4 Divestment. A prohibited foreign party that owns proximate land shall sell, transfer, or divest an interest it 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.



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

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

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

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

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

§ -8 **Penalty.** A prohibited foreign party that violates 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 stylized 'B' followed by a flourish, is written over a horizontal line.

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.

