

ACT 267

S. B. NO. 545

A Bill for an Act Relating to Leases.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii Revised Statutes are hereby amended by adding thereto a new section to be appropriately numbered by the revisor of statutes and to read as follows:

“Sec. . Lease renegotiations; calculation of rent; definition. (a) Whenever any agreement or document for the lease of private lands provides for the renegotiation of the rental amount or other recompense during the term of said lease and such renegotiated rental amount or other recompense is based, according to the terms of said lease, in whole or in part upon the fair market value of the land, or the value of the land as determined by its highest and best use, or words of similar import, such value, for the purposes of determining the amount of rental or other recompense, shall be calculated upon the use to which the land is restricted by the lease document.

(b) The term ‘lease’, ‘lease agreement’, or ‘document’ as used in this Act,

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means a conveyance leasing privately-owned land by a fee simple owner as lessor, or by a lessee as sublessor, to any person, for a term exceeding five years, in consideration of a return of rent or other recompense.”

SECTION 2. This Act shall take effect upon its approval and shall apply to leases of privately-owned lands executed after the effective date of this Act.

(Approved July 16, 1969.)