
A BILL FOR AN ACT

RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED.

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

1 SECTION 1. Section 208 of the Hawaiian Homes Commission
2 Act, 1920, as amended, is amended to read as follows:

3 "§208. Conditions of leases. Each lease made under the
4 authority granted the department by section 207 of this Act, and
5 the tract in respect to which the lease is made, shall be deemed
6 subject to the following conditions, whether or not stipulated
in the lease:

8 (1) The original lessee shall be a native Hawaiian, not
9 less than eighteen years of age. In case two lessees
10 either original or in succession marry, they shall
11 choose the lease to be retained, and the remaining
12 lease shall be transferred, quitclaimed, or canceled
13 in accordance with the provisions of succeeding
14 sections.

15 (2) The lessee shall pay a rental of \$1 a year for the
16 tract and the lease shall be for a term of ninety-nine
17 years; except that the department may extend the term
of any lease[~~7~~]; provided that the approval of any

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

5 (3) The lessee may be required to occupy and commence to
6 use or cultivate the tract as the lessee's home or
7 farm or occupy and commence to use the tract for
8 aquaculture purposes, as the case may be, within one
9 year after the commencement of the term of the lease.

10 (4) The lessee thereafter, for at least such part of each
11 year as the department shall prescribe by rules, shall
12 occupy and use or cultivate the tract on the lessee's
13 own behalf.

14 (5) The lessee shall not in any manner transfer to, or
15 otherwise hold for the benefit of, any other person or
16 group of persons or organizations of any kind, except
17 a native Hawaiian or Hawaiians, and then only upon the
18 approval of the department, or agree so to transfer,
19 or otherwise hold, the lessee's interest in the tract;
20 except that the lessee, with the approval of the
21 department, also may transfer the lessee's interest in
the tract to the following qualified relatives of the

1 lessee who are at least one-quarter Hawaiian: husband,
2 wife, child, or grandchild. A lessee who is at least
3 one-quarter Hawaiian who has received an interest in
4 the tract through succession or transfer may, with the
5 approval of the department, transfer the lessee's
6 leasehold interest to a brother or sister who is at
7 least one-quarter Hawaiian. Such interest shall not,
8 except in pursuance of such a transfer to or holding
9 for or agreement with a native Hawaiian or Hawaiians
10 or qualified relative who is at least one-quarter
11 Hawaiian approved of by the department or for any
12 indebtedness due the department or for taxes or for
13 any other indebtedness the payment of which has been
14 assured by the department, including loans from other
15 agencies where such loans have been approved by the
16 department, be subject to attachment, levy, or sale
17 upon court process. The lessee shall not sublet the
18 lessee's interest in the tract or improvements
19 thereon; provided that a lessee may be permitted, with
20 the approval of the department, to rent to a native
21 Hawaiian or Hawaiians, lodging either within the

1 (8) The lessee shall perform such other conditions, not in
 2 conflict with any provision of this Act, as the
 3 department may stipulate in the lease; provided that
 4 an original lessee shall be exempt from all taxes for
 5 the first seven years after commencement of the term
 6 of the lease."

7 SECTION 2. If any provision of this Act, or the
 8 application thereof to any person or circumstance is held
 9 invalid, the invalidity does not affect other provisions or
 10 applications of the Act, which can be given effect without the
 11 invalid provision or application, and to this end the provisions
 12 of this Act are severable.

13 SECTION 3. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

APPROVED BY THE
GOVERNOR ON

APR 05 2002

BENJAMIN J. CAYETANO
GOVERNOR
STATE OF HAWAII



RAYNARD C. SOON
CHAIRMAN
HAWAIIAN HOMES COMMISSION

JOEIE M. K. M. YAMAGUCHI
DEPUTY TO THE CHAIRMAN

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DEPARTMENT OF HAWAIIAN HOME LANDS
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**TESTIMONY ON H.B. 2493 H.D. 1
RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS**

March 19, 2002

Chair Chun and Members of the Committee:

This is the companion bill to S.B. 2751 that was previously heard and passed out by the committee. The purpose of this Administration bill is to authorize a homestead lessee who is at least one-quarter Hawaiian to transfer the leasehold interest in the tract to a brother or sister who is at least one-quarter Hawaiian.

Section 208(5) of the HHCA currently allows a homestead lessee to transfer the leasehold interest in the tract to a husband, wife, child, or grandchild who is at least one-quarter Hawaiian. The proposed amendment would extend the transfer rights of a lessee who is at least one-quarter Hawaiian to also include a brother or sister, in addition to a spouse, child or grandchild who is at least one-quarter Hawaiian. The proposed amendment is a positive change that will help ensure that the homestead lease remains in the family of the original lessee.

We note that the House Finance Committee has amended H.B. 2493 to include a severability clause. We do not think it is needed, however, we do not have strong objections to its inclusion.

We respectfully request your approval of this Administration bill.