
A BILL FOR AN ACT

RELATING TO REAL PROPERTY.

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

1 SECTION 1. (a) The legislative reference bureau shall
2 conduct a study and report on the forty-one states in the
3 country that have enacted laws limiting the sale of property to
4 foreign individuals or entities, and how those laws and related
5 constitutional precedents could inform demand-side regulations
6 for the real estate market in Hawaii in favor of resident
7 ownership, specifically owner-occupied resident ownership.

8 (b) To the extent feasible, the study shall include:

- 9 (1) Descriptive information detailing the laws limiting
10 the sale of property to foreign individuals or
11 entities and the related constitutional precedents of
12 each jurisdiction;
- 13 (2) Identified strengths and weaknesses of each particular
14 legislative approach; and
- 15 (3) Recommendations on whether the laws enacted by other
16 jurisdictions could be adapted for Hawaii, to favor



1 owner-occupied resident ownership of real property in
2 Hawaii or interests therein.

3 (c) The legislative reference bureau shall submit its
4 report to the legislature, including any proposed legislation,
5 no later than twenty days prior to the convening of the regular
6 session of 2025.

7 SECTION 2. In accordance with section 9 of article VII of
8 the Hawaii State Constitution and sections 37-91 and 37-93,
9 Hawaii Revised Statutes, the legislature has determined that the
10 appropriations contained in Act 164, Regular Session of 2023,
11 and this Act will cause the state general fund expenditure
12 ceiling for fiscal year 2024-2025 to be exceeded by
13 \$ or per cent. This current declaration takes
14 into account general fund appropriations authorized for fiscal
15 year 2024-2025 in Act 164, Regular Session of 2023, and this Act
16 only. The reasons for exceeding the general fund expenditure
17 ceiling are that:

- 18 (1) The appropriation made in this Act is necessary to
19 serve the public interest; and
- 20 (2) The appropriation made in this Act meets the needs
21 addressed by this Act.



1 SECTION 3. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2024-2025 for
4 the legislative reference bureau to conduct a study of the
5 approaches used by other states to limit the sale of property to
6 foreign individuals or entities.

7 The sum appropriated shall be expended by the legislative
8 reference bureau for the purposes of this Act.

9 SECTION 4. This Act shall take effect on July 1, 2040.



Report Title:

LRB; Foreign Individuals or Entities; Purchase of Real Property; Prohibition; Study; Report; Expenditure Ceiling; Appropriation

Description:

Requires the Legislative Reference Bureau to conduct a study and report on the forty-one states in the country that have enacted laws limiting the sale of real property to foreign individuals or entities, and how those laws and related constitutional precedents could inform demand-side regulations for the real estate market in Hawaii in favor of resident ownership, specifically owner-occupied resident ownership. Makes an appropriation. Declares that the general fund expenditure ceiling is exceeded. Takes effect 7/1/2040. (SD1)

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