

**SESSION LAWS**  
OF  
**HAWAII**  
PASSED BY THE  
**FIRST STATE LEGISLATURE**

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**REGULAR SESSION**  
**1962**

Convened on Wednesday, February 21  
and  
Adjourned Sine Die on Tuesday, April 17

Published by Authority of the  
Revisor of Statutes  
Honolulu, Hawaii

## AUTHORITY

Section 4, Act 191, Session Laws of Hawaii 1959, provides as follows:

**Section 4. Publishing of session laws.** As soon as possible after the close of each session of the legislature, the revisor shall prepare for publication all laws duly enacted at such session, arranged, first the bills and then joint resolutions, in the order of their becoming law, together with a suitable index and tables showing what general statutes have been affected by such session laws.

## P R E F A C E

The laws contained herein are all the laws enacted by the Legislature at its Regular Session of 1962.

In preparing this volume, the text of the original laws has been followed, including clerical errors. Notes have been inserted where appropriate to explain what may otherwise appear to be printing errors.

HIDEHIKO UYENOYAMA

Revisor of Statutes

Honolulu, Hawaii  
July 10, 1962

**STATE OF HAWAII  
ELECTED OFFICIALS AND LEGISLATIVE OFFICERS**

UNITED STATES CONGRESS

Senate:

Hiram L. Fong  
Oren E. Long

House of Representatives:

Daniel K. Inouye

STATE EXECUTIVE OFFICERS

Governor of Hawaii.....William F. Quinn  
Lieutenant Governor.....James K. Kealoha

OFFICERS AND MEMBERS OF THE  
FIRST STATE LEGISLATURE

REGULAR SESSION

1962

SENATE

President.....William H. Hill  
Vice-President.....Hebden Porteus  
Clerk.....Walter G. Chuck (Resigned)  
William H. Yim

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Kazuhisa Abe (D)  
Nelson K. Doi (D)  
William H. Hill (R)  
Richard J. Lyman, Jr. (R)  
John T. Ushijima (D)

Second District—(Hawaii)  
Bernard G. Kinney (R)  
Julian R. Yates, Sr. (R)

Third District—(Maui)  
Marquis F. Calmes (R)  
George Fukuoka (D)  
Thomas S. Ogata (D)  
Bernard H. Tokunaga (R)  
Nadao Yoshinaga (D)

Fourth District—(Oahu)  
Randolph Crossley (R)  
O. Vincent Esposito (D)  
Yasutaka Fukushima (R)  
Hebden Porteus (R)  
J. Ward Russell (R)

Fifth District—(Oahu)  
George R. Ariyoshi (D)  
Lawrence Kunihisa (R)  
Calvin C. McGregor (R)  
Sakae Takahashi (D)  
Steere G. Noda (D)

Sixth District—(Kauai)  
Matsuki Arashiro (D)  
Francis M. F. Ching (R)  
Noboru Miyake (R)

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## HOUSE OF REPRESENTATIVES

Speaker.....Elmer F. Cravalho  
 Vice-Speaker.....Manuel S. Henriques  
 Clerk.....Shigeto Kanemoto

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|--|--|
| <p>First District—(Hawaii)<br/>           Jack K. Suwa (D)</p> <p>Second District—(Hawaii)<br/>           Joseph R. Garcia, Jr. (R)<br/>           Stanley I. Hara (D)<br/>           Toshio Serizawa (D)</p> <p>Third District—(Hawaii)<br/>           Yoshito Takamine (D)</p> <p>Fourth District—(Hawaii)<br/>           Takeshi Kudo (D)</p> <p>Fifth District—(Hawaii)<br/>           Akoni Pule (D)</p> <p>Sixth District (Lanai, Molokai)<br/>           Pedro Dela Cruz (D)</p> <p>Seventh District—(Maui)<br/>           Elmer F. Cravalho (D)<br/>           John E. Milligan (R)<br/>           David K. Trask, Jr. (D)<br/>           Mamoru Yamasaki (D)</p> <p>Eighth District—(Oahu)<br/>           Joseph L. Dwight, Jr. (R)<br/>           Albert W. Evensen (R)<br/>           Hiram K. Kamaka (D)<br/>           Richard M. Kennedy (R)</p> <p>Ninth District—(Oahu)<br/>           John C. Lanham (D)<br/>           Robert C. Oshiro (D)</p> <p>Tenth District—(Oahu)<br/>           William Bains-Jordan (R)<br/>           Donald D. H. Ching (D)<br/>           Larry N. Kuriyama (D)<br/>           George M. Okano (D)</p> | <p>Eleventh District—(Oahu)<br/>           William M. Furtado (D)<br/>           Akira Sakima (D)<br/>           James H. Wakatsuki (D)</p> <p>Twelfth District—(Oahu)<br/>           Frank W. C. Loo (D)<br/>           Peter S. Iha (D)<br/>           Robert E. Teruya (R)</p> <p>Thirteenth District—(Oahu)<br/>           Sakae Amano (D)<br/>           Robert W. B. Chang (D)</p> <p>Fourteenth District—(Oahu)<br/>           Robert K. Fukuda (R)<br/>           David C. McClung (D)<br/>           Howard Y. Miyake (D)<br/>           Wadsworth Yee (R)</p> <p>Fifteenth District—(Oahu)<br/>           Dorothy Devereux (R)<br/>           Eureka Forbes (R)<br/>           Thomas P. Gill (D)<br/>           Katsugo Miho (R)<br/>           Percy K. Mirikitani (R)<br/>           James Y. Shigemura (D)</p> <p>Sixteenth District—(Oahu)<br/>           Tadao Beppu (D)<br/>           Walter M. Heen (D)<br/>           Hiroshi Kato (D)<br/>           George Koga (D)</p> <p>Seventeenth District—(Oahu)<br/>           Webley Edwards (R)<br/>           Frank C. Judd (R)<br/>           Fred W. Rohlfing (R)<br/>           Ambrose J. Rosehill (R)</p> <p>Eighteenth District—(Kauai)<br/>           William Fernandes (D)<br/>           Manuel S. Henriques (D)<br/>           Abel Medeiros (R)</p> |
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**1962**

**REGULAR SESSION  
LAWS**

**Session Laws of Hawaii**  
**Passed by the**  
**First State Legislature**  
**Regular Session**  
**1962**

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**ACT 1**

A Bill for an Act Appropriating Money for the Pre-session and Other Expenses of the Budget Session of 1962 of the First State Legislature of the State of Hawaii, for the Payment of Allowances for Personal Expenses of the Members of the Legislature, for the Payment of Expenses of Any Committee or Committees of the Legislature for the Period Specified Herein, for Removing Any Limitations Imposed by Section 5-16 of the Revised Laws of Hawaii 1955, as Amended, or Any Other General Statute; and for the Payment of Allowances for Personal Expenses of Members of the Legislature.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated from the general funds of the State the sum of \$450,000, or so much thereof as may be necessary, for defraying the pre-session and other expenses of the Senate for the Budget Session of 1962, First State Legislature of the State of Hawaii, up to and including February 19, 1963, which expenses shall include the compiling and printing of the Senate Journal of the General Session of 1961 of the First State Legislature of the State of Hawaii.

SECTION 2. There is hereby appropriated from the general funds of the State the sum of \$650,000, or so much thereof as may be necessary, for defraying the pre-session and other expenses of the House of Representatives for the Budget Session of 1962, First State Legislature of the State of Hawaii, up to and including February 19, 1963, which expenses shall include the compiling and printing of the House Journal of the General Session of 1961 of the First State Legislature of the State of Hawaii.

SECTION 3. Any unencumbered balance of the appropriations provided for in sections 1 and 2 remaining at the close of the Budget Session of 1962 is hereby appropriated to defray the expenses of any committee or committees established by either the Senate or the House of Representatives, respectively. Payment of such expenses shall be made only with the approval of either the President of the Senate or the Speaker of the House of Representatives, respectively.

SECTION 4. Before February 20, 1963, the Senate and the House of Representatives shall have its accounts audited and a full report of such audit

ACT 2

shall be presented to the Senate and to the House of Representatives of the Legislature convening on February 20, 1963.

SECTION 5. The expenses of any member of the Legislature while traveling abroad on official business of the Legislature shall not be limited by the provision of section 5-16 of the Revised Laws of Hawaii 1955, as amended, or by any other general statute. The expenses of such member shall be the higher sum allowed by Section 2-20 of the Revised Laws of Hawaii 1955, as amended, and authorized by the President of the Senate or the Speaker of the House of Representatives, respectively.

SECTION 6. Section 2-20 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding to the first paragraph the following:

“Such allowance may be paid to any member while attending to the official duties of either the Senate or the House of Representatives when authorized by the President of the Senate or the Speaker of the House of Representatives, respectively.”

SECTION 7. Each section of this Act is hereby declared to be severable from the remainder of this Act.

SECTION 8. This Act shall take effect upon its approval.

(Approved March 5, 1962.) H.B. 1.

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ACT 2

A Bill for an Act Relating to Regular and Volunteer Fire Stations.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Purpose. Section 11 of Article III of the state constitution provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said Section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said Section 11 of Article III of the state constitution, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

There is an increasing demand for fire protection throughout the state of Hawaii.

SECTION 2. A new section shall be added to Chapter 138 of the Revised Laws of Hawaii 1955, as amended, to read as follows:

**Section 138-** . Each county to determine its own number of fire stations. Any other provisions of the law to the contrary notwithstanding, the Board of Supervisors or the City Council as the case may be, of each county, shall have the power to determine the number of fire stations it will establish and maintain within its respective county.

SECTION 3. Effective date. This act shall take effect upon its approval.

(Approved May 7, 1962.) H.B. 619.

## ACT 3

A Bill for an Act Authorizing Persons to Cast Absentee Ballots for Religious Reasons.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Purpose. Section 11 of Article III of the state constitution provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said Section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said Section 11 of Article III of the state constitution, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

The year 1962 is an election year and if this measure is not passed many people may fail to cast their ballots due to conflict with their religious tenets.

SECTION 2. Chapter 11, Part III, Voting by Absentees, Revised Laws of Hawaii 1955 as amended, is hereby amended by adding a section to be appropriately numbered and to read as follows:

"Sec. 11- . Absentee voters for religious reasons. Any registered voter qualified to vote at any general, primary or special election who will be prevented from voting by reason of any religious belief, ruling, doctrine or standard as will prevent him from attending the polls, shall be entitled and enabled to vote in such manner as may be prescribed by rules and regulations which shall be promulgated by the lieutenant governor with the advice of the clerks of the several counties. Such rules and regulations shall provide for voting by such persons in such manners as to insure secrecy of ballot and to preclude tampering with the ballots of such voters and other election frauds; provided, that any voter who by reason of physical disability is unable to mark his ballot shall be authorized to receive assistance in the marking thereof. Such rules and regulations may require affidavits, certificates and other written statements under oath. They shall be adopted in conformity with the provisions of the Hawaii Administrative Procedure Act."

SECTION 3. Effective date. This Act shall take effect upon its approval.

(Approved May 7, 1962.) H.B. 647.

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 ACT 4

An Act Relating to the New York World's Fair 1964-65, Creating a New York World's Fair Committee and Authorizing the Issuance of General Obligation Bonds Therefor.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11, Article III, of the Constitution of the State of Hawaii provides for the consideration and enactment in the budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in the section there-



of and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

(1) The New York World's Fair is scheduled for 1964-65 and plans, designs, cost estimates and contracts for the site, erection of buildings and all necessary acts for an exhibit must be planned and entered into as rapidly as possible several years in advance of said Fair.

(2) It is to the economic and social interest of the state to present the state of Hawaii at the World's Fair and to maintain such state exhibits to show to best advantage the customs, culture, history, development and natural and industrial products of the state of Hawaii.

SECTION 2. There is hereby established a temporary committee to be known as the New York World's Fair Committee which shall consist of sixteen members as follows: five members appointed by the president of the senate and five members appointed by the speaker of the house of representatives; five members appointed by the governor of the state of Hawaii. The lieutenant governor shall, by virtue of his office, be the chairman of the committee. All of the members, other than the chairman, shall be appointed for terms to expire six months after the close of the New York World's Fair, at which time the committee shall cease to exist. Vacancies by reason of death, incapacitation or resignation shall be filled by appointments made by the governor.

No member of the committee shall be disqualified from holding any other public office or employment nor shall he forfeit any such office or employment hereunder, notwithstanding the provision of any general, special or local law, ordinance or city charter. The members shall receive no compensation for their services, but they shall be entitled to necessary and actual expenses, including traveling expenses, incurred in the discharge of their duties.

SECTION 3. The committee shall proceed as rapidly as possible to make arrangements for active participation for the state of Hawaii in the 1964-65 World's Fair. The provisions of chapters 3, 4, 5, and 9, Revised Laws of Hawaii 1955, as amended, and Act 245, Session Laws of Hawaii 1959, shall not apply to accomplish the purpose of this Act. The committee may provide for and maintain such state exhibits or projects it deems appropriate to insure that the customs, culture, history, development, and natural and industrial products of the state of Hawaii will be shown to their best advantage. The committee is vested with all necessary and appropriate powers to carry out effectively by contract or otherwise the selection of an appropriate site for such exhibits or projects, the erection of any buildings or other structures on the site, the displaying of such exhibits or projects, the maintenance and operation of such buildings or structures and to do all acts necessary and appropriate to carry out the purposes of this Act.

SECTION 4. The committee shall submit a report to the governor and the legislature within six months after the close of the New York World's Fair and render a complete financial accounting of Hawaii's participation in the Fair. The report shall include, for future reference, the committee's observations with regard to the effectiveness of Hawaii's participation, the problems encountered and all other appropriate factual data in connection with the New York World's Fair.

SECTION 5. The department of budget and review may issue from time to time general obligation bonds, notes, or other evidences of indebtedness in an amount not to exceed, in the aggregate, the sum of \$2,328,000, or so much thereof as may be necessary, for site preparation, construction, operation and demolition of an exhibit at the New York World's Fair 1964-65, and expenses for personnel, travel, and maintenance. Such bonds, notes, or other evidences of indebtedness shall be issued in such form and in such denominations, shall bear interest at such rate or rates expressed in multiples of one-eighth or one-tenth of one per cent, not exceeding five per cent, and shall mature at such time or times, not later than five years from the date thereof, as shall be determined by the director of the department of budget and review, shall be signed by the director and sealed with the seal of the department, and may be sold by the director at public or private sale at not less than the par value thereof. The proceeds of sale shall be paid over to the comptroller to be disbursed on warrants of the comptroller upon vouchers approved by the chairman of the committee. Except as herein otherwise provided, the provisions of Part I, chapter 137, Revised Laws of Hawaii 1955, shall apply to the issuance and payment of obligations issued pursuant to this Act. The authorization and appropriation or any portion thereof, which is unissued, unallotted or unencumbered on January 30, 1966, shall lapse.

SECTION 6. There is hereby created a special fund in the state treasury to be known as the "New York World's Fair 1964-65 Special Fund". All revenues derived from the operation of the exhibit or from the disposition of properties of the exhibit after the completion of the Fair shall be paid into the fund and be used solely for the purpose of paying the principal of, the premium, if any, and the interest on the general obligation bonds issued by the state for the exhibit and for any borrowings made and any loans secured for the exhibit. The balance, if any, in the special fund, after all obligations have been paid, shall lapse into the general fund of the state. A deficiency, if any, in the special fund shall be a charge to the general fund of the state.

SECTION 7. This Act shall, upon its passage by a two-thirds vote of all the members to which each house of the legislature is entitled, and when approved in the manner provided by the constitution of the State, take effect on July 1, 1962.

(Approved May 8, 1962.) S.B. 104.

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## ACT 5

An Act Amending Act 245, Session Laws of Hawaii 1959, as Amended, Relating to Concessions on Public Property.

WHEREAS, Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Since the passage of Act 245, Session Laws of Hawaii 1959, many problems have arisen in the awarding of concessions, especially in regards to the awarding of concessions at the new Honolulu International Airport. In many instances compliance with said Act creates the evils which this Act was intended to avoid. The new Honolulu International Airport is scheduled to be completed in the very near future. In order to ensure that all of the concessions will be awarded in a fair and equitable manner providing the most favorable returns to the State, and to ensure that all of the concessions will be in operation when the new airport is completed, this Legislature deems it urgent to amend said Act 245.

SECTION 2. Act 245, Session Laws of Hawaii 1959, as amended, is hereby further amended by amending section 1 thereof to read as follows:

"SECTION 1. (a) No concession or concession space to sell goods, wares, merchandise and services or to operate restaurants, cocktail lounges, soda fountains and parking areas in any building or on any land owned or under the jurisdiction of the State or any county or any independent board, commission, bureau or agency of the State or of the various counties, except such concessions or space enumerated in subsection (b) below, shall be leased, let, licensed, rented out, assigned or disposed of either by contract, lease, license, permit or any other arrangement to any private person, firm, or corporation, except under contract let after public advertisement for sealed tenders in the manner provided by law.

(b) The bidding requirements of subsection (a) above shall not apply to concessions or space on public property set aside for the following purposes:

- (1) For operation of ground transportation services at airports;
- (2) For lei vendors;
- (3) For airline and aircraft operations;
- (4) For coin-operated vending machines, except coin-operated insurance vending machines;
- (5) For operations of concessions set aside without any charge;
- (6) For operations of concessions for the use of handicapped persons, or blind persons;
- (7) For operations of concessions of any department, bureau, organization or municipal or political subdivision of the federal, state, municipal or county governments;
- (8) For operation of concessions on permits revocable on notice of thirty days or less; provided, however, that no such permits shall be issued unless the premises covered therein shall no longer be used for the existing purposes and that the said permit is issued as a temporary use of the premises until the governmental agency proceeds to apply said premises for the new use thereof; and provided, further, that no such permits shall be issued for more than one year."

SECTION 3. Act 245, Session Laws of Hawaii 1959, as amended, is hereby further amended by adding the following sentence between the third and fourth sentences in section 2 thereof to read as follows:

"The officer charged with letting such contract shall not divulge or permit to be divulged the names and the number of persons who have submitted their notice of their intention to bid until after the opening of bids."

SECTION 4. Act 245, Session Laws of Hawaii 1959, as amended, is hereby further amended by amending section 5 thereof to read as follows:

"Section 5. Deposits of legal tender, etc., to accompany bid. All bids shall be accompanied by a deposit of legal tender or by a certificate of deposit or certified check on a bank doing business within the State of Hawaii, for or in a sum equal to five per cent of the amount bid, payable at sight to the officer advertising for tenders; provided, that when the amount bid exceeds \$50,000, the certificate of deposit or certified check shall be for \$2,500 plus two percent of the amount in excess thereof."

SECTION 5. Act 245, Session Laws of Hawaii 1959, as amended is hereby further amended by adding a new section to be appropriately numbered and to read as follows:

"Section . . . Where there is in existence at the time of this Act and thereafter an outstanding contract, lease, license, permit, or any other such arrangement for the operation of concessions or concession spaces on governmental property, the parties may amend such instrument to permit a related use with an increased rental adjustment where the lessee, licensee or permittee, as the case may be, can show financial hardship arising out of changes of circumstances or otherwise, if required to continue operation under the original permitted use or uses."

SECTION 6. This Act shall take effect upon its approval.

(Approved May 14, 1962.) S.B. 99.

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## ACT 6

A Bill for an Act Relating to Aid to the Blind and Amending Sections 108-15 and 108-33, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

At present the Revised Laws of Hawaii 1955 allows a blind person to earn an income of \$50 per month. Recently, the federal Social Security Act was amended so that a state is required to disregard the first \$85 per month of earned income plus one-half of earned income in excess of \$85 per month if the state is to qualify for federal matching funds. Hawaii will not be eligible for federal matching funds for the aid to the blind program commencing July 1, 1962 if the law is not amended to conform to the Social Security Act.

SECTION 2. Section 108-15 of the Revised Laws of Hawaii 1955 is hereby amended by changing the last paragraph thereof to read as follows:

"The first \$85 per month of earned income of a blind applicant or recipient plus one-half of such blind individual's monthly earned income in excess of \$85 per month shall be disregarded by the Department in determining his need for assistance, and the earned income so disregarded shall not be taken

ACT 7

into consideration in determining the need of any other individual for assistance under the public assistance categories financed in part or in whole by Federal funds, so long as such exception is a requirement of the Social Security Act that must be complied with in order for the State to receive such federal matching funds."

SECTION 3. Section 108-33 of the Revised Laws of Hawaii 1955, as amended, is hereby amended by changing the phrases at the end of subsection (a) to read as follows:

"provided, that so long as such exception is a requirement of the Social Security Act that must be complied with in order for the State to receive Federal matching funds under the program of Aid to the Blind the first \$85 per month of a blind person's earned income plus one-half of such person's earned income in excess of \$85 per month shall be disregarded in determining the need of the blind individual."

SECTION 4. Section 108-36 of the Revised Laws of Hawaii 1955, as amended, is hereby amended by changing the last sentence to read as follows:

"The first \$85 per month of earned income of a blind applicant or recipient plus one-half of such blind individual's monthly earned income in excess of \$85 per month shall be disregarded by the Department in determining his need for assistance, and the earned income so disregarded shall not be taken into consideration in determining the need of any other individual for assistance under the public assistance categories financed in part or in whole by Federal funds, so long as such exception is a requirement of the Social Security Act that must be complied with in order for the State to receive such Federal matching funds."

SECTION 5. This Act shall take effect on July 1, 1962.

(Approved May 14, 1962.) H.B. 5.

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ACT 7

A Bill for an Act Allowing an Exemption from Property Taxation for Detached Parsonages and Amending Section 128-18(b) (3) of the Revised Laws of Hawaii 1955, as Amended, Being Section 1(b) (3) of Act 60, Session Laws of Hawaii 1961.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 128-18(b) (3) of the Revised Laws of Hawaii 1955, as amended, being section 1(b) (3) of Act 60, Session Laws of Hawaii 1961, is hereby amended by deleting the following words:

"and exclusive of any parsonage located at another site."

SECTION 2. This Act shall take effect on January 1, 1963.

(Approved May 14, 1962.) H.B. 79.

## ACT 8

A Bill for an Act Amending Section 260-18, Revised Laws of Hawaii 1955, Relating to Coroner's Physician.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Purpose. Section 11 of Article III of the state constitution provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said Section 11 further provides that no urgency measure shall be considered unless a statement of fact constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said Section 11 of Article III of the state constitution, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of fact constituting such urgency:

At present there is a difference of opinion between the attorney general and the county attorneys of the state as to the definition of the coroner's physician. The change sought will correct the ambiguity in the existing law and would make certain who is to perform the autopsy in cases requiring police attention.

SECTION 2. Means. Section 260-18, Revised Laws of Hawaii 1955, is hereby amended to read as follows:

**"Sec. 260-18. Coroner's physician; laboratory facilities.** The city and county physician or any of his assistants in the city and county of Honolulu, and any experienced or qualified government physician designated by the coroner in the counties of Hawaii, Maui and Kauai, shall be the coroner's physician for such county or city and county. The facilities of the laboratories of the state department of health shall be made available to the coroner's physician. The term government physician as used in this chapter means a physician employed by the State or any of its political subdivisions."

SECTION 3. Effective date. This act shall take effect upon its approval. (Approved May 14, 1962.) H.B. 520.

## ACT 9

A Bill for an Act Relating to Horizontal Property Regimes and Amending Act 180, Session Laws of Hawaii 1961.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Purpose. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

The purposes of this amendment are (1) to encourage a horizontal property regime involving construction of units, not only of two or more apartments, rooms, office spaces, or other units in existing or proposed building(s) or structure(s) which are multi-unit structures vertically constructed with common elements as presently provided, but also of such apartments, rooms, office spaces, or other such units in single structures horizontally constructed with common elements, (2) to encourage construction of condominium units pursuant to the newly adopted resort-hotel zoning ordinance of the City and County of Honolulu and to enable projects which are presently stymied by the narrow interpretation of the existing horizontal property act to be initiated and completed under said act, as amended, in the State of Hawaii, (3) to make it clear that the substantive law relating to the land court has not been changed by Act 180, and (4) to clear up certain ambiguous sections in the act.

SECTION 2. Section 2(c), Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"(c) 'Condominium' means the ownership of single units, with common elements, located on property within the horizontal property regime."

SECTION 3. Section 2(d), Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"(d) 'Condominium project' means a real estate condominium project; a plan or project whereby a condominium of two or more apartments located within the horizontal property regime are offered or proposed to be offered for sale."

SECTION 4. Section 2(e), Act 180, Session Laws of Hawaii 1961, is hereby amended by deleting the word "association" after the word "partnership" in the first line of said section.

SECTION 5. Section 2(j), Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"(j) 'Majority of co-owners' means fifty-one per cent of the co-owners as determined by the respective interests held by such co-owners."

SECTION 6. Section 2(k), Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"(k) 'Master deed' or 'master lease' means the deed or lease recording the property of the horizontal property regime. 'Declaration' means a declaratory statement by the fee owner, lessee or developer placing the property under the horizontal property regime."

SECTION 7. Section 3, Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"Section 3. **Horizontal property regimes.** Whenever a developer, a sole owner or the co-owners of a building expressly declare, through the recording of a master deed or lease together with a declaration, which deed, lease or declaration shall set forth the particulars enumerated by section 7, their desire to submit their property to the regime established by this chapter, there shall thereby be established a horizontal property regime. In the event that the master deed or lease is already recorded, the recording of the declaration shall be deemed sufficient to achieve the same result."

SECTION 8. Section 7, Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

"Section 7. **Recordation.** The bureau of conveyances and the land court shall immediately set up the mechanics and method by which recordation of

a master deed or lease and the individual apartments may be made. Provisions shall be made for the recordation of the individual apartments on subsequent re-sales, mortgages and other encumbrances, as is done with all other real estate recordations; provided, however, that land court certificates of title shall not be issued for apartments. The master deed or lease to which section 3 refers shall express the following particulars:

“(a) The description of the land, whether leased or in fee simple, and the buildings, expressing their respective areas;

“(b) The general description and number of each apartment, expressing its area, location and any other data necessary for its identification; and

“(c) The description of the general common elements of the building.”

SECTION 9. Section 32, Act 180, Session Laws of Hawaii 1961, is hereby amended to read as follows:

“Section 32. **Chapter not exclusive.** The provisions of this chapter shall be in addition and supplemental to all other provisions of the Revised Laws of Hawaii 1955, as amended; provided, however, that this act shall not change the substantive law relating to land court property, and provided, further, that if this act shall conflict with chapters 342 and 343, Revised Laws of Hawaii 1955, chapters 342 and 343 shall prevail.”

SECTION 10. This Act shall take effect upon its approval.

(Approved May 14, 1962.) H.B. 591.

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## ACT 10

A Bill for an Act Relating to Motor Vehicle Registration and Amending Section 160-9 of the Revised Laws of Hawaii 1955.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

The Finance Department of the City and County of Honolulu is in the process of converting its present automobile registration system to IBM automatic data processing system. This conversion has already begun and a substantial investment made. The new automobile registration system will be completed before the end of this year and should be in effect by January 1, 1963. Under this system, the certificate of registration may be renewed annually either by presenting the last issued certificates of registration or the last issued application for renewal, the latter of which will be IBM processed.

This new system will result in greater efficiency in automobile registration procedure and faster service to the public as well as in substantial savings in operational costs.

Since the present laws do not cover the use of last issued applications for renewal of automobile registration, it is necessary to include this provision in our licensing laws so that up-to-date, present-day equipment may be utilized in processing automobile registration renewals. Therefore, this Act is considered an urgency measure deemed necessary in the public interest.



ACT 11

SECTION 2. Section 160-9 of the Revised Laws of Hawaii 1955 is hereby amended by amending the first sentence of said section to read as follows:

"Every certificate of registration issued under this part shall expire at midnight on December 31 of each year and shall be renewed annually before April 1 of each year upon application by the registered owner by presentation of the last issued certificate of registration or the last issued application for renewal, such renewal to take effect as of January 1 of each year."

SECTION 3. This Act shall take effect upon its approval.

(Approved May 14, 1962.) **H.B. 617.**

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ACT 11

A Bill for an Act Relating to County's Share of General Excise Tax, and Amending Section 129-9, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The present law provides for payment to counties of general excise tax collections on a quarterly basis. Until recently the State treasurer by practice has remitted to the counties such collections on a monthly basis. However, by a recent opinion of the State attorney general, the State treasurer is now required to make payment on a quarterly basis.

Since the cash flow of the counties is by practice geared to tax collections received on a monthly basis, the change in method of payment will seriously hamper the normal operation of the counties by depriving them of needed cash.

Unless the law is changed immediately, the counties, as they become hard-pressed for cash, will have to seek advances from the State for the very funds to which they are already entitled. This Act therefore is considered an urgency measure deemed necessary in the public interest.

SECTION 2. Section 129-9 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by amending the first two paragraphs thereof to read as follows:

"**Sec. 129-9. County's share of general excise tax.** Each county shall receive a share of the general excise tax, consumption tax, and compensating tax (in this chapter called the county's share of the general excise tax), as follows: The director of the budget of the State, in monthly installments, on or before the 15th day of each month shall pay to the county treasurer, or in the case of the City and County of Honolulu to the director of finance, of each county, to become a general fund realization of the county, expendable as such, except as otherwise provided by law, the county's share of the general excise tax for each year, determined as hereinafter provided.

Each such monthly payment shall be an estimated amount of the preceding month's collection of such taxes and shall be adjusted by the director of the budget in making the succeeding monthly payment."

SECTION 3. Effective date. This Act shall take effect upon its approval, provided that the first monthly payment shall begin on May 15, 1962 if this Act is approved on or before June 20, 1962; but if approved after June 20, 1962 the first payment shall begin August 15, 1962; provided further, that for the first monthly payment made pursuant to the provisions of this Act, the director of the budget shall make such adjustments as may be necessary for any quarterly payments made prior to the effective date of this Act.

(Approved May 14, 1962.) H.B. 661.

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## ACT 12

An Act to Amend Act 121, Session Laws of Hawaii 1961.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Since the enactment of Act 121, Session Laws of Hawaii 1961, the Hawaii Motor Carrier Law, providing for economic regulation, safety and inspection of motor vehicles using the public highways of this State, there has been much interest and arguments requiring various hearings to be held on the Act. These hearings have produced evidence that the enforcement of certain provisions of Act 121 will result in economic hardship to many motor carriers and in some instances the destruction of their business. For example, Sections 10 and 11 set June 27, 1959 as the cut-off date for certificates of convenience and necessity of common carriers operating therein and permits of contract carriers. This cut-off date will inflict considerable hardship on carriers in operation prior to the enactment of the law and after June 27, 1959. Such carriers, both contract and common, in operating during that period, because of equipment invested and commitments already made, have no means of effectively disposing of their property without serious financial loss.

It is deemed urgent and in the public interest that Act 121 be amended so that motor carriers would not be forced to suffer economic and personal hardship.

SECTION 2. Sections 10 and 11 of the Motor Carrier Law, Act 121, Session Laws of Hawaii, 1961, are hereby amended by deleting the date "June 27, 1959" wherever it appears in said sections, and in lieu thereof, substituting the date "July 1, 1961".

SECTION 3. Section 5(b) of the Motor Carrier Law, Act 121, Session Laws of Hawaii 1961, is hereby amended to read as follows:

“(b) Persons whose income from operations of motor vehicles is derived principally from contracts for the transportation of school children and teachers to and from school or to and from school functions.”

SECTION 4. Section 5(k) of the Motor Carrier Law, Act 121, Session Laws of Hawaii 1961, is hereby amended to read as follows:

“(k) Persons operating the type of passenger carrying motor vehicles known as ‘sampan buses’ within the radius of 20 miles from the city of Hilo, Hawaii.”

SECTION 5. Section 7(a) (1) and Section 7(a) (2) of the Motor Carrier Law, Act 121, Session Laws of Hawaii 1961, are hereby amended to read as follows:

“Sec. -7. **General duties and powers of the commission.** (a) (1). To regulate common carriers by motor vehicle, and to that end the commission shall establish reasonable requirements with respect to continuous and adequate service, leasing of motor vehicles, uniform system of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees and after public hearing shall promulgate within four months from the effective date of this chapter rules and regulations as to safety of operations and equipment as determined by the commission to be applicable to conditions existing in the State; provided, however, that the requirements for hours of service shall be in strict accordance with those prescribed by the Motor Carrier Safety Regulations of the Interstate Commerce Commission.”

“(2) To regulate contract carriers by motor vehicle, and to that end the commission shall establish reasonable requirements with respect to leasing of motor vehicles, uniform system of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and rules and regulations as to safety of operations and equipment as determined by the commission to be applicable to conditions existing in the State; provided, however, that the requirements for hours of service shall be in strict accordance with those prescribed by the Motor Carrier Safety Regulations of the Interstate Commerce Commission.”

SECTION 6. The Motor Carrier Law, Act 121, Session Laws of Hawaii 1961, is hereby amended by adding two new sections to be appropriately numbered and to read as follows:

“Sec. - . Notwithstanding any other provisions of this chapter, any sampan bus, station wagon, truck or trailer with a factory rated capacity of less than 1 ton, motor vehicle covered by Section 5(c) (b) of the Motor Carrier Law or such motor vehicle described in said Section 5(c) (b) and similarly operating in other parts of the State is exempted from the safety rules and regulations promulgated under this chapter; provided, however, that such motor vehicles comply with the safety ordinances and rules and regulations of the county or city and county where they are operated and other applicable State safety laws and rules and regulations.”

“Sec. - . Notwithstanding any other provisions of this chapter all motor vehicles used by farmers exclusively for their farm operations and all motor vehicles used by such farmers who infrequently transport from the place of production to a warehouse, regular market, place of storage, or place of shipment, the farm products of neighboring farmers in exchange

for like or reciprocal services, for farm products, or for a cash consideration not exceeding \$1,500 per year, and provided that such transportation shall constitute the sole transportation of property for hire or compensation of such farmers are exempted from the provisions of this chapter; provided, however, that such motor vehicles comply with the safety ordinances and rules and regulations of the county or city and county where they are operated and other applicable State safety laws and rules and regulations."

SECTION 7. The Motor Carrier Law, Act 121, Session Laws of Hawaii 1961, is hereby amended by repealing Section 5(i) and appropriately re-lettering the remaining paragraphs of Section 5.

SECTION 8. This Act shall take effect upon its approval.

(Approved May 14, 1962.) S.B. 93.

### ACT 13

An Act Relating to the Determination of Unemployment Contribution Rates and Amending Chapter 93, Revised Laws of Hawaii 1955, as Amended.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Total unemployment compensation benefits paid in calendar 1961 exceeded income to the unemployment compensation reserve fund by \$2.8 million, causing the fund to drop during 1961 from \$25.1 to \$22.3 million. Benefits have amounted to over \$1 million a month since last October. A continuation of these trends for an extended period of time would result in the fund dropping below the minimum which should be maintained if the system is to remain safely solvent.

However, the unemployment compensation fund is solvent at the present time, and will remain so for some time without any immediate increase in taxes. Present law provides that if the total assets of the fund are less than 5% of the average of taxable wages during the last five years each employer's rate will be increased to 2.7%.

If the present benefit payment trend continues for the remainder of this year, it is almost certain that the total assets of the fund at the end of this year will be less than 5% of the average taxable wages.

Some 4,000 employers in Hawaii currently enjoy a 0% rate, and more than 2,000 additional employers are paying rates of less than 1%. This rep-

ACT 14

resents more than 50% of all covered employers. For their taxes to be suddenly increased to the full 2.7% in 1963 would be a drastic tax increase for which few, if any, would be prepared.

On the basis of the foregoing it is urgent that this measure be approved and enacted at this time.

SECTION 2. Section 93-65, Revised Laws of Hawaii 1955, as amended is hereby further amended in the following respects:

a. By placing a comma after the word "thereafter" in the first sentence thereof and adding the following after the comma:

"except as otherwise provided in this part,"

b. By amending the first sentence in paragraph (c) thereof to read:

"(c) No employer's rate for any calendar year shall be less than the standard rate unless the total assets of the fund as of the end of the previous calendar year were at least five per cent of the average of the total annual payrolls of all employers for the five preceding calendar years, except that for the calendar year 1963 the foregoing shall not apply in determining an employer's rate for the first two calendar quarters; provided, that any amount credited to this State under section 903 of the Social Security Act, as amended, which has been appropriated for expenses of administration whether or not withdrawn from the trust fund shall be excluded from the fund for the purposes of this subsection."

c. By adding at the end of said section the following new paragraph:

"(g) Whenever there is an amendment to this chapter which, if immediately effective, would change an employer's rate of contributions, the rate of such employer shall be changed in accordance with such amendment and the new rate shall apply for the remainder of the calendar year beginning with the calendar quarter immediately following the effective date of the amendment providing for such change unless otherwise provided by such amendment."

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1962.) S.B. 92.

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ACT 14

An Act Amending the Hawaiian Homes Commission Act to Permit Loans for Farming, Ranching and Marketing Agricultural Produce.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure

deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

Under the present provisions of the Hawaiian Homes Commission Act, the commission cannot make loans to lessees to cover the cost of seeds, insecticides and other farm or ranch supplies and of cultivating, harvesting and marketing any agricultural produce and livestock; and the commission is not authorized to use any of its funds for such purposes or to assist lessees in marketing operations. Lessees of farm and pasture lands urgently require such assistance in order to realize the full potential of their lands. Many lessees have growing crops for the harvesting of which financing is required within the next twelve months.

**SECTION 2.** The purpose of this Act is to amend the Hawaiian Homes Commission Act, 1920, as amended, to permit the commission to make loans for general farming and ranching purposes, including raising, cultivating, harvesting and marketing and to authorize the commission to assist the lessees in marketing their agricultural produce and livestock.

**SECTION 3.** Section 214, Hawaiian Homes Commission Act, 1920, is hereby amended to read as follows:

**"Sec. 214. Loans, purposes of.** The commission is hereby authorized to make loans from the fund to the lessee of any tract, the successor to his interest therein or any agricultural cooperative association, all of whose members are lessees. Such loans may be made for the following purposes:

(1) The erection of dwellings on any tract and the undertaking of other permanent improvements thereon;

(2) The purchase of livestock and farm equipment;

(3) Otherwise assisting in the development of tracts and of farm and ranch operations; and

(4) The cost of breaking up, planting and cultivating land and harvesting crops, the purchase of seeds, fertilizers, feeds, insecticides, medicines and chemicals for disease and pest control for animals and crops, and related supplies required for farm and ranch operations, the erection of fences and other permanent improvements for farm or ranch purposes and the expenses of marketing."

**SECTION 4.** Section 215, Hawaiian Homes Commission Act, 1920, as amended, is hereby further amended to read as follows:

**"Sec. 215. Conditions of loans.** (1) Each contract of loan with the lessee or any successor or successors to his interest in the tract or with any agricultural cooperative association composed entirely of lessees shall be held subject to the following conditions whether or not stipulated in the contract of loan: The amount of loans at any one time to any lessee, or successor or successors in interest, of a tract of agricultural or pastoral land shall not, with respect to the provisions of subsections (1), (2) and (3) of section 214, exceed \$15,000, to any lessee, or successor or successors in interest, of a residence lot shall not exceed \$6,000, but with respect to the provisions of subsection (4) of section 214 shall be without limit, and to any agricultural cooperative association shall be determined by the Commission on the basis of the proposed operations of the association and the security available; provided, that where, upon the death of a lessee leaving no relative qualified to be a lessee of the Hawaiian home lands, or the cancellation of a lease by the Commission, or the surrender of a lease by the lessee, the Commission shall

make the payment provided for by section 209 (1), the amount of any such payment made to the legal representative of the deceased lessee, or to the previous lessee, as the case may be, shall be considered as part or all, as the case may be, of any such loan to the successor or successors, without limitation as to the above maximum amounts; provided, further, that in case of the death of a lessee, or cancellation of a lease by the Commission, or the surrender of a lease by the lessee, the successor or successors to the tract shall assume any outstanding loan or loans thereon, if any, without limitation as to the above maximum amounts but subject to provisions of paragraph (3) of this section.

(2) The loans shall be repaid in periodic installments, such installments to be monthly, quarterly, semi-annual, or annual as may be determined by the Commission in each case. The term of any loan shall not exceed thirty years. Payments of any sum in addition to the required installments, or payment of the entire amount of the loan, may be made at any time within the term of the loan. All unpaid balances of principal shall bear interest at the rate of two and one-half per cent per annum, payable periodically or upon demand by the Commission, as the Commission may determine. The payment of any installment due shall, with the concurrence therein of the majority of all the members of the Commission, be postponed in whole or in part by the Commission for such reasons as it deems good and sufficient and until such later date as it deems advisable. Such postponed payments shall continue to bear interest at the rate of two and one-half per cent per annum on the unpaid principal.

(3) In the case of the death of a lessee the Commission shall, in any case, permit the successor or successors to the tract to assume the contract of loan subject to the provisions of paragraph (1) of this section. In case of the cancellation of a lease by the Commission or the surrender of a lease by the lessee, the Commission may, at its option declare all installments upon the loan immediately due and payable, or permit the successor or successors to the tract to assume the contract of loan subject to the provisions of paragraph (1) of this section. The Commission may, with the concurrence therein of the majority of all its members, in such cases where the successor or successors to the tract assume the contract of loan, waive the payment, wholly or in part, of interest already due and delinquent upon said loan, or postpone the payment of any installment thereon, wholly or in part, until such later date as it deems advisable. Such postponed payments shall, however, continue to bear interest at the rate of two-and one-half per cent per annum on the unpaid principal. Further, the Commission may, with the concurrence therein of the majority of all its members, if it deems it advisable and for the best interests of the lessees, write-off and cancel, wholly or in part, the contract of loan of the deceased lessee, or previous lessee, as the case may be, where such loans are delinquent and deemed uncollectible. Such write-off and cancellation shall be made only after an appraisal of all improvements and growing crops on the tract involved, such appraisal to be made in the manner and as provided for by section 209(1). In every case, the amount of such appraisal, or any part thereof, shall be considered as part or all, as the case may be, of any loan to such successor or successors, subject to the provisions of paragraph (1) of this section.

(4) No part of the moneys loaned shall be devoted to any purpose other than those for which the loan is made.

(5) The borrower or the successor to his interest shall comply with such other conditions, not in conflict with any provision of this title, as the Commission may stipulate in the contract of loan.

(6) The borrower or the successor to his interest shall comply with the conditions enumerated in section 208, and with the provisions of section 209 of this title in respect to the lease of any tract.

(7) Whenever the Commission shall determine that a borrower is delinquent in the payment of any indebtedness to the Commission, it may require such borrower to execute an assignment to it, not to exceed, however, the amount of the total indebtedness of such borrower, including the indebtedness to others the payment of which has been assured by the Commission, of all moneys due or to become due to such borrower by reason of any agreement or contract, collective or otherwise, to which the borrower is a party. Failure to execute such an assignment when requested by the Commission shall be sufficient ground for cancellation of the borrower's lease or interest therein."

SECTION 5. Section 216, Hawaiian Homes Commission Act, 1920, as amended, is hereby further amended to read as follows:

**"Sec. 216. Insurance by borrowers; acceleration of loans; lien and enforcement thereof.** The Commission may require the borrower to insure, in such amount as the Commission may prescribe, any livestock, machinery, equipment, dwellings and permanent improvements purchased or constructed out of any moneys loaned by the Commission; or, in lieu thereof, the Commission may directly take out such insurance and add the cost thereof to the amount of principal payable under the loan. Whenever the Commission has reason to believe that the borrower has violated any condition enumerated in paragraphs (2), (4), (5) or (6) of section 215 of this title, the Commission shall give due notice and afford opportunity for a hearing to the borrower or the successor or successors to his interest, as the case demands. If upon such hearing the Commission finds that the borrower has violated the condition, the Commission may declare all principal and interest of the loan immediately due and payable notwithstanding any provision in the contract of loan to the contrary. The Commission shall have a first lien upon the borrower's or lessee's interest in any lease, growing crops, either on his tract or in any collective contract or program, livestock, machinery and equipment purchased with moneys loaned by the Commission, and in any dwellings or other permanent improvements on any leasehold tract, to the amount of all principal and interest due and unpaid and of all taxes and insurance and improvements paid by the Commission, and of all indebtedness of the borrower, the payment of which has been assured by the Commission. Such lien shall have priority over any other obligation for which the property subject to the lien may be security.

The Commission may, at such times as it deems advisable, enforce any such lien by declaring the borrower's interest in the property subject to the lien to be forfeited, any lease held by the borrower cancelled, and shall thereupon order such leasehold premises vacated and the property subject to the lien surrendered within a reasonable time. The right to the use and occupancy of the Hawaiian home lands contained in such lease shall thereupon revert in the Commission, and the Commission may take possession of the premises covered therein and the improvements and growing crops thereon: Provided that the Commission shall pay to the borrower any dif-



ference which may be due him after the appraisal provided for in paragraph (1) of section 209 of this title has been made.”

SECTION 6. The Hawaiian Homes Commission Act, 1920, as amended, is hereby further amended by the addition of a new section to be numbered and to read as follows:

“Sec. 219.1. **General assistance.** The Commission is authorized to carry on any activities it deems necessary to assist the lessees in obtaining maximum utilization of the leased lands, including taking any steps necessary to develop these lands for their highest and best use commensurate with the purposes for which the land is being leased as provided for in section 207, and assisting the lessees in all phases of farming and ranching operations and the marketing of their agricultural produce and livestock.”

SECTION 7. This Act shall take effect upon its approval. The provisions of this Act are declared to be severable, and if any section, sentence, clause or phrase of this Act or the application thereof to any person or circumstance is held ineffective because it requires approval of Congress to take effect, then, that portion only shall take effect upon approval of Congress and the effectiveness of the remainder of this Act or the application thereof shall not be affected.

(Approved May 16, 1962.) S.B. 96.

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## ACT 15

An Act Relating to Wage and Hour Law and Amending Section 94-2, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

The coffee growers are in an economic plight. In order to survive, they must increase the quantity and quality of their crops. The coffee growers believe that relief from the operation of the wage and hour law would allow them to hire more employees, and to expend more funds for fertilizers and other chemicals which would increase the quantity and quality of their crops. It is in the public interest to alleviate economic distresses as soon as possible.

SECTION 2. Section 94-2, Revised Laws of Hawaii 1955, as amended, is hereby further amended by amending paragraph “b” of the definition of “employee” to read as follows:

“(b) in agriculture for any workweek in which the employer of the individual employs less than twenty employees or in agriculture for any workweek in which the individual is engaged in coffee harvesting.”

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1962.) S.B. 101.

## ACT 16

An Act Amending Chapter 94 of the Revised Laws of Hawaii 1955, as Amended Relating to Wage and Hour.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the urgency measures deemed necessary in the public interest. Said Section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said Section 11 of Article III of the Constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

1. Statistics of the Bureau of Labor of the United States Department of Labor show that the cost of living has increased tremendously over the past few years. On the other hand, wages and salaries in Hawaii have not increased at, or even close to, the same ratio, thereby causing economic hardship.

2. The people most seriously affected by the disparity between increases in cost of living and in wages and salaries are employees and their dependents.

3. Economic hardship is likewise caused by the closing of industries such as the pineapple canneries on Kauai and Maui.

4. Since employees constitute the overwhelming portion of all income earners upon whom are dependent the great majority of our population, any legislation which deals with the earnings and working conditions of employees, as well as to the retention of existing industries, is of utmost urgency and in the public interest.

SECTION 2. Chapter 94, Revised Laws of Hawaii 1955, as amended, is hereby amended as follows:

1. By amending Section 94-3, as amended, to read:

**"Section 94-3. Minimum wages.** From and after July 1, 1962 every employer shall, except as the director may provide pursuant to section 94-9, pay to each employee employed by him wages at the rate of not less than \$1.15 per hour. From and after January 1, 1964, every employer except as the director may provide pursuant to section 94-9, shall pay to each employee employed by him wages at the rate of not less than \$1.25 per hour."

2. By amending Section 94-9 to read as follows:

**"Section 94-9. Learners; apprentices; part-time employees who are full-time students; handicapped workers.** The director may by rules provide for the employment: (a) of learners, of apprentices, and of part-time employees who are full-time students attending public or private schools other than colleges, universities, business schools or technical schools, under special certificates issued by the director, at such wages lower than the applicable minimum wage and subject to such limitations as to time, number, proportion, and length of service as the director shall prescribe; and (b) of individuals whose earning capacity is impaired by old age or physical or mental deficiency or injury, under special certificates issued by the director, at such wages lower than the applicable minimum wage and for such period as shall be fixed in such certificates."

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1962.) S.B. 108.

## ACT 17

An Act Relating to Industrial Injury Leave of Employees of Police and Fire Departments.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The members of the police and fire departments of the City and County of Honolulu who have been injured in the line of duty receive benefits under the provisions of section 149-7, Revised Laws of Hawaii 1955, as amended. By a recent opinion of the Corporation Counsel of the City and County of Honolulu, it has been established that the benefits provided in section 149-7, aforementioned, are not considered salary but compensation for injuries received, similar to Workmen's Compensation payments. This opinion has far-reaching effects on approximately 2,000 policemen and firemen throughout the State because it can cause the loss of retirement benefits and the loss of life insurance coverage since, under these programs, they must be on the payroll of a police or fire department. It is in the public interest that section 149-7, Revised Laws of Hawaii 1955, as amended, be further amended in order that the morale and efficiency of said policemen and firemen may be maintained at a high level.

SECTION 2. Amend Chapter 138 of the Revised Laws of Hawaii 1955, as amended, by adding a new section, to be appropriately numbered and to read as follows:

**"Sec. . Injured police chemists, policemen and firemen.** Whenever any employee of the police department, including police chemists, or fire department of the city and county of Honolulu or any county receives personal injury by accident arising out of and in performance of his duty and without negligence on his part, he shall be placed on accidental injury leave unless suspended or dismissed for cause, and continued on the payroll of his respective department at his full regular monthly salary during the first four months of his disability and thereafter during the period of his total disability from work at sixty per cent of his regular monthly salary, as though he did not sustain an industrial injury. He shall be entitled further to all rights and remedies allowed under Chapter 97, provided that salary paid under this section shall be applied on account of any compensation allowed him under Chapter 97 or any benefits awarded him under part III of chapter 6."

SECTION 3. Section 149-7 of the Revised Laws of Hawaii 1955, as amended, is hereby repealed.

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

(Approved May 16, 1962.) S.B. 109.

## ACT 18

An Act Amending Section 215(1) of the Hawaiian Homes Commission Act, 1920, as Amended, Relating to the Ceiling on Residential Loans.

WHEREAS, section 11 of article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of article III; and

WHEREAS, the second amendment to the Constitution of the State of Hawaii provides that as a compact with the United States relating to the management and disposition of the Hawaiian home lands, the Hawaiian Homes Commission Act, 1920, as amended, is "subject to amendment or repeal only with the consent of the United States, and in no other manner:

*Provided, . . .* (2) that any amendment to increase the benefits to lessees of Hawaiian home lands may be made in the constitution, or in the manner required for State legislation"; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

The Hawaiian Homes Commission Act of 1920, as amended, establishes a Hawaiian home-loan fund from which loans may be made to lessees of Hawaiian home lands for the construction of dwellings upon or the otherwise development of said lands. Presently, the maximum amount of the loan obtainable for the erection of dwellings is \$6,000. This ceiling was established on July 9, 1952. Since July 1952 the cost of house construction has greatly increased so that presently \$6,000 is a very unrealistic allowance and is inadequate to construct a house. Contractors on the islands of Molokai and Kauai, in order to keep costs of the dwellings down, have in some cases been constructing dwellings without garages, cesspools, or wall partitions between bedrooms. Such contractors now refuse to construct any more houses unless they receive higher prices for their work. Thus, the homesteaders are obtaining inadequate homes or in some cases, no homes at all. In 1962, the Hawaiian Homes Commission will open up houselots in Waimanalo, Oahu, and in Paukukalo, Maui. This has created a need, which this legislature deems urgent, to amend the Hawaiian Homes Commission Act of 1920, as amended, so as to raise the minimum ceiling on residential loans above \$6,000.

SECTION 2. Paragraph (1) of section 215 of the Hawaiian Homes Commission Act, 1920, as amended, is hereby further amended by deleting the figure "\$6,000" found therein and by substituting therefor the figure "\$10,000."

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1962.) S.B. 111.

ACT 19

A Bill for an Act to Amend Chapter 94 of the Revised Laws of Hawaii 1955, as Amended, Relating to Wages and Hours.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The 1961 amendments to the Federal Fair Labor Standards Act, with respect to overtime pay, take away from newly covered employees of large establishments a protection they formerly enjoyed and require owners of smaller companies to pay higher rates for overtime work than owners of large enterprises. In order to correct these inequities, it is urgent that corrective legislation be enacted.

SECTION 2. Section 94-2 of the Revised Laws of Hawaii 1955, as amended, is hereby amended by amending the paragraph defining the term "employee" by deleting division (k) in its entirety and substituting the following therefor:

"(k) in any capacity if by reason of his employment in such capacity and during the term thereof the minimum wage which may be paid such employee or maximum hours which such employee may work during any workweek without the payment of overtime, are prescribed by the Federal Fair Labor Standards Act of 1938, as amended, or as the same may be further amended from time to time; provided, that if the minimum wage which may be paid such employee under said Fair Labor Standards Act for any workweek is less than the minimum wage prescribed by Section 94-3 then the provisions of Section 94-3 shall apply in respect to such employees for such workweek; provided further, that if the maximum workweek established for such employee under said Fair Labor Standards Act for the purposes of overtime compensation is higher than the maximum workweek established under Section 94-4, then the provisions of Section 94-4 shall apply in respect to such employee for such workweek; except that such employee's regular rate in such an event shall be his regular rate as determined under said Fair Labor Standards Act."

SECTION 3. Section 94-4(b) of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by deleting it in its entirety and substituting the following therefor:

"(b) in the case of an employer,

(1) who is engaged in agriculture and in the first processing of milk, buttermilk, whey, skimmed milk, or cream into dairy products, or in the processing of sugar cane molasses or sugar cane into sugar (but not refined sugar) or into syrup, or in the first processing of or in canning or packing any agricultural or horticultural commodity, or in handling, slaughtering or dressing poultry or livestock; or

(2) who is engaged in agriculture and whose agricultural products are processed by an employer who is engaged in a seasonal pursuit or in processing, canning or packing operations referred to in paragraph (1); or

(3) who is at any place of employment engaged primarily in the first processing of, or in canning or packing seasonal fresh fruits;

the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged during any period or periods of not more than twenty workweeks in the aggregate, as selected by the employer, in any year from and after the yearly period commencing July 1, 1957; provided, that no employee shall be employed more than forty-eight hours in any such exempt workweeks unless such employee receives compensation for his employment in excess of forty-eight hours in any one workweek at a rate not less than one and one-half times the regular rate at which he is employed."

SECTION 4. This Act shall take effect on and after July 1, 1962.

(Approved May 16, 1962.) H.B. 242.

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## ACT 20

An Act Amending Act 181, Session Laws of Hawaii 1961 Relating to the Employees' Retirement System.

WHEREAS, Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said Section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This act is hereby declared to be an urgency measure deemed necessary in the public interest within the meeting of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The provisions for the retirement of judges and elective officers enacted by Act 181, Session Laws of Hawaii 1961, did not take into account the amendments made by Act 175, Session Laws of Hawaii 1961, which made substantial improvements in the provisions relating to retirement allowances. If Act 181 had not been enacted, judges and elective officers would have been entitled to the benefit of the amendments made by Act 175. It was not the legislative intent to exclude judges and elective officers therefrom. It is therefore necessary that the provisions of Act 181 be amended to conform to the provisions of Act 175 to carry out the legislative intent. There being a number of judges and elective officers who will soon attain the compulsory retirement age or who are now or will soon be eligible for voluntary retirement, it is urgent and in the public interest that the provisions of this Act be enacted at this session of the Legislature.

SECTION 2. Chapter 6 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new section, to be appropriately numbered and reading as follows:

"Sec. 6- . Allowance of judges and elective officers. The service retirement allowance or disability retirement allowance of a member who has had ten years of service credit, including service as a judge or an elective officer

## ACT 21

rendered after May 27, 1961, shall be computed on the following basis: (a) For each year of creditable service as a judge or an elective officer rendered after the admission of this State into the Union, 3.4523 per cent of his average final compensation, in addition to the annuity allocable to the period of such service; and (b) for all other creditable service, on the same basis as if this section had not been enacted, to be computed without reference to the amounts creditable under (a) hereof. If he is a Class "A" member, the pension portion of the allowance shall be reduced as provided in section 6-42 or 6-45, whichever is applicable. The allowance shall in no case exceed seventy-five per cent of the average final compensation; if it exceeds such limit, it shall be reduced by first reducing the annuity, and such portion of the accumulated contributions as may be in excess of the requirements of the reduced annuity shall be returned to the member. The allowance shall in no case be less than if this section had not been enacted."

SECTION 3. Sections 4 and 5 of Act 181 of the Session Laws of Hawaii 1961 are hereby repealed.

SECTION 4. This Act shall take effect as of July 1, 1961.

(Approved May 16, 1962.) H.B. 523.

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## ACT 21

An Act to Amend Act 159, Session Laws of Hawaii 1961, Relating to the Refund of Instructional Fees Collected from the Students of State Technical Evening Schools for the School Year 1958-1959 by Changing the Dates "1957-1958" to "1958-1959" in Its Title and Section 1 of Said Act.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

During the General Session of 1961, First State Legislature, the Department of Education submitted a legislative proposal providing for the refund of instructional fees collected from students in the technical evening schools for the school year 1957-58. Introduced as S.B. 88, this became law through Act 159, Session Laws of Hawaii 1961.

In carrying out provisions of Act 159, it has been discovered that the fees purported to have been inadvertently collected in 1957-58 actually were collected in 1958-59. This error was made in the initial bill and was not detected until action was taken by the State comptroller to make refund payments.

The Attorney General's Office was asked whether refunds to the students could be made under the existing statute. No basis could be found for considering this a typographical error, and the Department of Education was urged to seek corrective legislation.

Section 2 of Act 159 has been fully complied with, claims have been processed and vouchers have been sent to the comptroller. However, payment has been stopped by the comptroller.

It is therefore most urgent that corrective legislation be enacted to change the dates "1957-1958" to "1958-1959" in the title and section 1 of Act 159, Session Laws of Hawaii 1961, in order that these funds may be properly expended.

SECTION 2. (a) Act 159, Session Laws of Hawaii 1961, is hereby amended by deleting the dates "1957-1958" in the title of said bill and substituting therefor the dates "1958-1959".

(b) Section 1 of said Act 159 is amended by deleting the dates "1957-1958" in the last line of section 1 of said act and substituting therefor the dates "1958-1959".

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1962.) H.B. 541.

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## ACT 22

An Act to Amend Act 173 First State Legislature, Regular Session 1961 to Allow Income Tax Relief for Certain Victims of Natural Disasters and Set Limitations for Relief.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such statement of urgency shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency:

Act 173, First State Legislature, Regular Session 1961, was enacted to provide tax relief to persons suffering property damages due to natural disasters. Throughout the Act, it is mentioned that a claimant whose disaster losses are certified by the disaster commission shall be entitled to a refund of taxes due and payable by the claimant under chapters 117 (excise tax law), 121 (net income tax law) and 128 (real property tax law), Revised Laws of Hawaii 1955, as amended. However, the critical provisions affecting such tax refunds or remissions (subsection (c) of Section 4 of Act 173 aforesaid) is silent on the matter relating to the refund of net income taxes due and payable by a claimant under the provisions of said chapter 121.



Since disaster claims are already being processed under the provisions of said Act 173, and since the omission in said subsection (c) of any reference to net income tax refunds or remissions will prevent the director of taxation from providing a tax relief which obviously was intended to be provided by said Act 173, this Act will rectify said omission and afford all of the tax benefits that said Act 173 clearly sought to provide.

SECTION 2. Act 173, First State Legislature, Regular Session 1961 is hereby amended by amending:

(a) Subsection (c) of Section 4 thereof to read in full as follows:

“(c) Upon receipt of the certification of losses from the commission, the director shall remit or refund from the current general revenues of the State or forgive, for a period not to exceed five consecutive years commencing January 1 of the year in which the disaster occurred, until the amount of the loss certified is recovered up to but not in excess of the limits provided in section 7 of this Act or until the claimant recovers the full amount of his certified loss or until the expiration of said five year period, whichever shall first occur, (1) real property taxes for that year and thereafter as provided above, due from the claimant on account of any real property under the provisions of chapter 128, Revised Laws of Hawaii 1955 as amended, (2) taxes due from the claimant under the provisions of chapter 117 on account of any trade or business conducted by the claimant on the island on which the losses were incurred for the year in which the disaster occurred and thereafter as provided above, and (3) taxes due from the claimant under the provisions of chapter 121 on account of any income earned or derived by the claimant on the island on which the losses were incurred for the year in which the disaster occurred and thereafter as provided above.

“In no event shall taxes due and payable under chapter 121 by a public utility as defined in section 104-1, Revised Laws of Hawaii 1955 as amended, be remitted, refunded or forgiven.”

(b) Section 7 is hereby amended by deleting the first sentence thereof and substituting the following therefor:

“Section 7. No claimant shall recover, against the total losses certified by the commission, remittances, refunds or forgiveness of taxes in excess of \$10,000.00 for all taxes due under chapter 121, Revised Laws of Hawaii 1955 as amended, nor shall any claimant recover remittances, refunds or forgiveness of taxes in excess of \$250,000.00 for all taxes due under Chapter 117, nor shall any claimant recover remittances, refunds or forgiveness of taxes in excess of \$350,000.00 for all taxes due under chapters 117, 121 and 128. Whenever a claimant has deducted in his chapter 121 returns for any of the five years stated in section 4(c) of this Act any portion of the losses suffered by reason of the disaster as permitted by section 121-5(f) of said chapter 121, there shall be deemed as having been due from such claimant under chapter 121 and as having been remitted, refunded or forgiven an additional amount of tax equal to the difference between the taxes due as returned and the taxes which would have been due if computed without deducting said losses so that the amount of his recovery shall not exceed that amount recoverable under this Act if the deduction were not taken.”

SECTION 3. Notwithstanding any contrary provision set out in Sections 4(b) and 10 of Act 173, First State Legislature, Regular Session 1961, a victim of the Puna volcanic eruption and the tsunami described in Section 10 of said Act 173 who, during the period from July 10, 1961 to January 10,

1962, neither owned any real property subject to the tax imposed by Chapter 128 nor earned any income subject to the tax imposed by Chapter 117 may file a claim for relief under said Act 173 as amended by this Act and the single commission described in the third sentence of Section 10 of said Act 173 shall receive the claim of such victim provided that such claim is filed under oath with the commission within a period of six months from the effective date of this Act.

SECTION 4. This Act shall take effect upon its approval and shall apply to all claims filed, including claims heretofore filed, under the provisions of Act 173, First State Legislature, Regular Session 1961.

(Approved May 17, 1962.) S.B. 95.

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### ACT 23

An Act to Amend Section 123-3 (a) (2) of the Revised Laws of Hawaii 1955, as Amended, Relating to Aviation Fuels.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 123-3 (a) (2) of the Revised Laws of Hawaii 1955, as amended by Act 217 of the Session Laws of Hawaii 1957, is hereby further amended to read as follows:

“(2) For each gallon of gasoline or other aviation fuel sold for use in or used for airplanes, 1 cent.”

SECTION 2. This Act shall take effect upon its approval, and upon approval of S.B. No. 97\*, as amended, of the First Legislature, State of Hawaii, Budget Session of 1962.

(Approved May 21, 1962.) S.B. 55.

\* Approved as Act 24, below.

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### ACT 24

An Act Amending Sections 15-10(b), 15-10(c), 15-10(d), 15-12(a) and 15-12(c), Revised Laws of Hawaii 1955, Providing for Expenditures of Airport Revenues.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Section 15-10(c), Revised Laws of Hawaii 1955, provides that all moneys received by the department of transportation from rents, fees, and other charges which it may collect pursuant to the provisions of chapter 15, Revised Laws of Hawaii 1955, as amended, shall be used to meet the expenses of operation and maintenance of airports and air navigation facilities, including reserves therefor. Section 15-12(c), Revised Laws of Hawaii 1955, provides that the department of transportation may fix and regulate reasonable landing fees for aircraft and other reasonable charges for the use and enjoyment of the airports for the purpose of meeting the expenses of operation and maintenance of the system of State airports and air navigation facilities. Section 129-11, Revised Laws of Hawaii 1955, as amended, provides that all aviation fuel taxes shall be deposited in the airport fund. Section 15-10(a), Revised Laws of Hawaii 1955, provides that such tax collections shall be expended by the department of transportation for the construction, operation and maintenance of airports and air navigation facilities, including acquisition of real property and interests therein.

One of the major airlines and several of the other airlines have indicated that, in lieu of domestic fuel, they intend to purchase and use jet fuel imported from foreign countries and bonded by the Federal Government for the propulsion of their aircrafts bound for foreign ports. A legal question has been raised as to whether or not the State of Hawaii may legally levy and collect aviation fuel taxes on sales of such fuel. There is now pending in the courts of Hawaii a suit relating to the validity of taxing bonded fuel used for international flights. If it is judicially determined that the State of Hawaii may not levy and collect such taxes from the sale of imported bonded fuel, the State will stand to lose approximately \$1,000,000 to \$1,250,000 annually in aviation fuel tax revenues. The loss of these revenues will undoubtedly affect the future expansion program of the department in constructing and developing improved and modern airports and air navigation facilities for the State of Hawaii directed to be applied by the department in part to the construction of capital improvements heretofore and to be hereafter authorized by the legislature. Since the financing of such capital improvements is limited under present laws to the proceeds of the aviation fuel taxes, it is necessary that urgent action be taken by the legislature to permit the department to apply other operating revenues of the department to the payment of the costs of capital improvements to the airports of the State to insure the safety of interstate and intrastate air travel in the State of Hawaii.

On the basis of the foregoing, it is urgent that this measure be approved and enacted at this time to allow the department of transportation to expend its non-tax revenues for capital improvement projects.

SECTION 2. Section 15-10, Revised Laws of Hawaii 1955, is hereby amended by consolidating subsections (b) and (c) into one subsection to read as follows:

“(b) All moneys received by the department of transportation from rents, fees, and other charges pursuant to this chapter shall be paid into the airport revenue fund. All such moneys paid into the airport revenue fund and all tax collections paid into the State airport fund, created by section 129-11, shall be expended by the department for the construction of airports and air navigation facilities approved by the legislature, including acquisition of real property and interests therein; and for operation and maintenance of airports

and air navigation facilities; and for the payment of indebtedness heretofore or hereafter incurred by the department, or its predecessor, the Hawaii Aeronautics Commission, for any of the purposes herein; and for the other purposes of this chapter."

SECTION 3. Section 15-10, Revised Laws of Hawaii 1955, is hereby amended by redesignating subsection (d) to read subsection (c).

SECTION 4. Section 15-12(a), Revised Laws of Hawaii 1955, is hereby amended by amending the first sentence of the last paragraph to read as follows:

"Except as otherwise provided in this section, in each case mentioned in paragraphs (1), (2), (3) and (4), the department of transportation may establish the terms and conditions of the contract, lease, license, or other arrangement, and may fix the charges, rentals or fees for the privileges, services, or things granted, conferred, or made available, for the purpose of meeting the expenditures set forth in section 15-10(b) Revised Laws of Hawaii 1955, as amended, which includes expenditures for capital improvement projects approved by the legislature."

SECTION 5. Section 15-12(c) Revised Laws of Hawaii 1955, is hereby amended to read as follows:

"(c) Miscellaneous fees and charges. The department of transportation may fix and regulate, from time to time, reasonable landing fees for aircraft and other reasonable charges for the use and enjoyment of the airports and the services and facilities furnished by the department of transportation in connection therewith, for the purpose of meeting the expenditures set forth in section 15-10(b), Revised Laws of Hawaii 1955, as amended, which includes expenditures for capital improvement projects approved by the legislature."

SECTION 6. This Act shall take effect upon its approval, and upon approval of S.B. No. 55\*, as amended, of the First Legislature, State of Hawaii, Budget Session of 1962.

(Approved May 21, 1962.) S.B. 97.

\* Approved as Act 23, above.

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## ACT 25

An Act Pertaining to the Establishment of the Hawaii Aeronautics Law.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The definition of a public utility in section 104-1, Revised Laws of Hawaii 1955, as amended, includes "every person who may own, control, operate or manage . . . any plant or equipment, or any part thereof, directly or indirectly for public use, for the transportation of passengers or freight . . . by land or water or air within the state or points within the state. . . ." There is presently no comprehensive statute governing the transportation of persons or property for compensation or hire by air carriers, except by general provisions of the public utilities law which is wholly inadequate to cover this vital business affected with the public interest. It is essential that fair and impartial regulation of such air transportation be enacted for the public benefit and use and to promote safe, adequate, economical and effective service and foster sound economic service in such air transportation among the several air carriers.

The Public Utilities Commission should be given such powers and imposed upon it such duties that would enable it to properly perform its functions relative to aeronautics. This is especially true when there is presently practically no legislation in this vital area and where there has already been two new applications for economical air service between the islands since statehood.

SECTION 2. Section 104-15, Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding the word "schedule," after the word "classification," and before the words "rules and regulations" wherever they appear in said section.

SECTION 3. There is hereby added a new section to chapter 104, Revised Laws of Hawaii 1955, to read as follows:

**Sec. 104- . Certificates of public convenience and necessity for air carriers.** (a) No common carrier by air shall engage in transportation by aircraft unless there is in force with respect to such carrier a certificate of public convenience and necessity issued by the commission authorizing such transportation.

(b) Applications for certificates shall be made in writing under oath to the commission in such form as it requires.

(c) A certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this chapter and the requirements, rules, and regulations of the commission thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise such application shall be denied. Any certificate issued shall specify the service to be rendered and the routes and airports which the common carrier by air is to serve and there shall be attached to the exercise of the privileges granted by the certificate, at the time of issuance and from time to time thereafter, such reasonable conditions and limitations as the public convenience and necessity may require.

SECTION 4. Section 3 of this Act shall take effect immediately upon the final determination by the courts that the Public Utilities Commission of the State of Hawaii has jurisdiction to regulate air carriers operating between the eight major islands of the State, and all other parts of this Act shall take effect upon its approval.

(Approved May 23, 1962.) S.B. 94.

## ACT 26

A Bill for an Act to Increase Aid to Depressed Areas and Amending Act 185, Session Laws of Hawaii 1961.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of Section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency.

The Department of Labor and Industrial Relations reports that total unemployment in Hawaii increased by 3,950 to a total of 11,550 during the year 1961. This is 4.7 per cent of the labor force of the state. Unskilled workers account for the heaviest concentration of insured unemployed. Of the more than 4,000 unskilled workers, the large majority consisted of pineapple cannery and construction laborers.

Government intervention is necessary to assure prompt relief to small economically depressed areas resulting from abnormal unemployment in those areas.

SECTION 2. The purpose of this Act is to amend Act 185, Session Laws of Hawaii, 1961, to broaden the definition of "depressed area" as that term is used in the said Act 185 to include (1) an island where an employer employing a substantial number of workers has definitely decided to terminate or to permanently curtail operations which may cause an abnormal concentration of jobless workers, and (2) employees of such employers and others on the island who may become jobless by such termination or curtailment to qualify, prior to becoming unemployed, for training of other needed skills through occupational or vocational training.

SECTION 3. Act 185, Session Laws of Hawaii, 1961, is hereby amended as follows:

(a) Add to the end of Section 4 the following:

"(c) For the purposes set forth in Section 6(b) (1) of this Act, the Director may declare an island in the state as a 'depressed area' if he finds that an employer employing a substantial number of residents of such island is definitely terminating or permanently curtailing operations which may result in an abnormal number or concentration of jobless workers in the said island or there is a substantial concentration of jobless workers due to the discontinuance or decline of one or more major industries on the island."

(b) Amend Section 6(b) (1) to read as follows:

"(1) To aid financially or otherwise, in the depressed area, the occupational and vocational training of unemployed persons, which term is defined here to include those actually unemployed and those who may become unemployed by the termination or curtailment of operation by an employer as set forth in Section 4(c), to increase their skill and opportunity for employment in other lines of work in the labor market in which they reside, or within the state; and"

SECTION 4. The Department is hereby authorized to expend from the 'State Depressed Area Fund' a sum not to exceed \$50,000 for purposes of contracting with the Department of Education for the development and maintenance by the Division of Vocational, Post-High and Adult Education and the Division of Vocational Rehabilitation of a training or re-training program

for unemployed persons eligible under Section 6(b) (1) of Act 185, Session Laws of 1961. This authorization shall not be construed to limit the authority of the Director to extend aid, financially or otherwise, as provided by said Act 185, but shall limit only the amount of money to be expended by contract with the Department of Education.

SECTION 5. This Act shall take effect upon its approval.

(Approved May 23, 1962.) **H.B. 681.**

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**ACT 27**

An Act Relating to Taxation, Amending Sections 117-14 and 129-9, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 117-14, Revised Laws of Hawaii 1955, as amended, is hereby further amended:

a. By amending the part of paragraph (1) of subsection (a) setting forth the rates of tax to read:

“(i) millers or processors of sugar, raw or refined, and canners of pineapple and pineapple juice:

(A) one and one-half per cent for the period commencing July 1, 1962 and ending June 30, 1963;

(B) one per cent for the period commencing July 1, 1963 and ending June 30, 1964;

(C) one-half of one per cent commencing July 1, 1964;

(ii) all other manufacturers, one-half of one per cent.”

b. On and after July 1, 1964, paragraph (4) of subsection (a) shall be deleted therefrom. Notwithstanding any other provision in Chapter 117, Revised Laws of Hawaii 1955, as amended, every manufacturer subject to the tax rate reductions set forth in paragraph (i) of subsection (a) above shall continue to be permitted the special computations up to and including the 30th day of June, 1964, regardless of the tax rate applicable thereto. Thereafter every manufacturer subject thereto shall be taxed in the manner applicable to all other manufacturers.

c. On and after July 1, 1964, paragraph (5) of subsection (a) shall be deleted and every person covered thereby shall be taxed in the manner applicable to all other manufacturers.

d. By amending the last sentence of paragraph (1) of subsection (b) to read as follows:

“Upon every person engaging or continuing within this State in the business of a producer the tax shall be equal to one-half of one per cent of the gross proceeds of sales of the business, or the value of the products, for sale, if sold for delivery outside the State or shipped or transported out of the State, and the value of such products shall be determined in the same manner as the value of manufactured products covered in the cases under paragraph (3) of subsection (a).”

SECTION 2. The first sentence of the third paragraph of Section 129-9, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"The county's share of the general excise tax shall be determined as follows: the total of the distributions so made to the counties from the collections of general excise tax, consumption tax and compensating tax shall be in an amount determined by crediting to the counties (in the aggregate irrespective of where the collections are made), 1.125 per cent of the tax base of all collections of these taxes which have been made at the rate of three and one-half per cent or more, excepting only general excise taxes collected from public utility airlines."

SECTION 3. This Act shall take effect on July 1, 1962 and shall affect taxes incurred on or after that date.

(Approved May 25, 1962.) S.B. 3.

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### ACT 28

An Act Relating to Compensation of Public Officers and Employees and Making Appropriations Therefor.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Teachers, teaching principals, vice-principals, principals and other professional officers and employees of the Department of Education of the State have not received a general increase in salary range since September 1, 1959. All personnel of the University of Hawaii established by the Board of Regents pursuant to sections 44-8 and 44-10 of the Revised Laws of Hawaii 1955, and those public officers and employees of the State and its political subdivisions whose compensation is determined under Chapter 4 of the Revised Laws of Hawaii 1955, as amended, have not received a general increase in compensation since July 1, 1959. Since then, elective officials, head of departments and federal employees have received substantial increases in compensation. Also, the cost of living in this State has risen appreciably, and the economy of the State has grown rapidly and public revenues have risen sharply. It is in the public interest that the compensation of all the aforementioned personnel be increased to keep pace with increases received by others hereinbefore recited, and with increases in the cost of living, and that they share in the benefits from the growth of the economy of the State and the increase of public revenues. It is further in the public interest that a pay



increase be given immediately in order that the morale and efficiency of these personnel may be maintained at a high level.

SECTION 2. The term "base salary", whenever used in this Act shall apply only to those personnel in the Department of Education whose salaries are presently established under Chapter 38, Revised Laws of Hawaii 1955, as amended, and shall have the following meaning unless otherwise specified.

a. For teachers who are not receiving any differential, the base salary shall mean their compensation under the salary schedule existing prior to the enactment of this Act (hereinafter referred to as "existing schedule"), on the salary conversion date.

b. For teachers, principals, vice-principals, and other professional officers and employees who are receiving differential payments, the base salary shall mean the compensation under the existing schedule on the salary conversion date without such differential payments.

SECTION 3. a. Effective September 1, 1962, all teachers who are not receiving any differential payments (except Class I and II teachers who will be at the maximum step under the existing schedule on September 1, 1962), and whose compensations are determined under Section 38-31 of the Revised Laws of Hawaii 1955, as amended, are hereby granted an increase in compensation of five per cent on their base salaries as determined under Section 2 above, and shall then be converted into the new salary schedule (hereinafter referred as "new schedule") as set forth in Section 4 below.

b. Effective September 1, 1962, Class I and II teachers who are not receiving differential payments and who will be at the maximum salary step under the existing schedule on September 1, 1962, shall be increased to the maximum step of the appropriate salary range in the new schedule set forth in Section 4 below.

c. Effective September 1, 1962, all teachers, principals, vice-principals and other professional officers and employees, of the Department of Education, whose compensations are established under Sections 38-31, 38-35 and 38-38 of the Revised Laws of Hawaii 1955, as amended, are hereby granted an increase in compensation of five per cent on their base salaries as determined under Section 2 above. The differential payments which such persons would be receiving on September 1, 1962, but for the enactment of this Act, shall be added to their base salaries which have been increased by five per cent. Such persons shall then be converted into the new schedule as set forth in Section 4 below.

d. Each teacher, principal, vice-principal and other professional officer and employee in the Department of Education whose salary under the existing schedule exceeds the third longevity step of the new schedule shall continue to receive his present compensation until such time as he is reassigned to the salary range having a pay rate which exceeds his present compensation and upon such reassignment shall begin to qualify for the next increment or longevity step.

SECTION 4. a. Section 38-31 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read:

"Sec. 38-31. (a) **Teachers' Salary Schedule.** The teachers' salary schedule hereby established shall apply to all new and to all incumbent teachers of the Department of Education to be effective September 1, 1962, and shall be as follows:

**NEW TEACHERS' SALARY SCHEDULE FOR DEPARTMENT OF EDUCATION  
INCREMENT STEPS**

Teachers' Salary Range										Longevity Steps		
	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3
1	335	352	370	389	408	428	449	471	495	520	546	573
2	352	370	389	408	428	449	471	495	520	546	573	602
3	370	389	408	428	449	471	495	520	546	573	602	632
4	389	408	428	449	471	495	520	546	573	602	632	664
5	408	428	449	471	495	520	546	573	602	632	664	697
6	428	449	471	495	520	546	573	602	632	664	697	672*
7	449	471	495	520	546	573	602	632	664	697	732	769
8	471	495	520	546	573	602	632	664	697	732	769	807
9	495	520	546	573	602	632	664	697	732	769	807	847

\* So in original.

b. Educational Officers' Salary Schedule. The educational officers' salary schedule hereby established shall apply to all new and all incumbent teaching principals, vice-principals, principals and other professional officers and employees of the Department of Education to be effective September 1, 1962, and shall be as follows :

Educational Officers' Salary Range										Longevity Steps		
	1	2	3	4	5	6	L-1	L-2	L-3			
1	546	573	602	632	664	697	732	769	807			
2	573	602	632	664	697	732	769	807	847			
3	602	632	664	697	732	769	807	847	889			
4	632	664	697	732	769	807	847	889	933			
5	664	697	732	769	807	847	889	933	980			
6	697	732	769	807	847	889	933	980	1029			
7	732	769	807	847	889	933	980	1029	1080			
8	769	807	847	889	933	980	1029	1080	1134			
9	807	847	889	933	980	1029	1080	1134	1191			
10	847	889	933	980	1029	1080	1134	1191	1251			
11	889	933	980	1029	1080	1134	1191	1251	1314			
12	933	980	1029	1080	1134	1191	1251	1314	1380			
13	980	1029	1080	1134	1191	1251	1314	1380	1449			
14	1029	1080	1134	1191	1251	1314	1380	1449	1521			
15	1080	1134	1191	1251	1314	1380	1449	1521	1602			
16	1134	1191	1251	1314	1380	1449	1521	1602	1682			
17	1191	1251	1314	1380	1449	1521	1602	1682	1766			
18	1251	1314	1380	1449	1521	1602	1682	1766	1854			
19	1314	1380	1449	1521	1602	1682	1766	1854	1947			
20	1380	1449	1521	1602	1682	1766	1854	1947	2044			
21	1449	1521	1602	1682	1766	1854	1947	2044	2146			

c. Effective September 1, 1962, substitute teachers shall be paid per day as follows:

Class I.....	\$15.00 per day
Class II.....	\$17.00 per day
Class III.....	\$20.00 per day"

b. Conversion from the existing schedule to the new schedule shall be effected on September 1, 1962, in the following manner:

1. Teachers:

(a) If the compensation determined under subsection 3(a) is at one of the increment steps in the appropriate salary range of the new schedule, his compensation shall be fixed at such step;

(b) If the compensation determined under subsection 3 (a) is within the appropriate salary range of the new schedule, but not at one of the increment steps fixed therein, his compensation shall be increased to that of the next higher increment step;

(c) Class I and II teachers whose increases are determined under subsection 3 (b) shall be placed in the appropriate new salary range in the new schedule at the maximum step and shall begin to qualify for longevity step increases as of September 1, 1962;

(d) No incumbent teachers' salary shall be reduced in converting into the new salary schedule. If the compensation determined under Section 3 is below that which a teacher is presently receiving, such teacher's salary shall be fixed at his present compensation and he shall continue to receive such compensation as long as he remains in the position or until such position is reassigned to a salary range having a maximum longevity step in excess of such compensation.

2. Educational Officer:

(a) If the compensation determined under subsection 3 (c) is at one of the increment steps in the appropriate salary range of the new schedule, his compensation shall be fixed at such step;

(b) If the compensation determined under subsection 3 (c) is within the appropriate salary range of the new schedule, but not at one of the increment steps fixed therein, his compensation shall be increased to the next higher increment step as the case may be;

(c) If the compensation determined under subsection 3 (c) is beyond the maximum increment step in the appropriate salary range of the new schedule but less than any of the longevity steps therein, his compensation shall be fixed and he shall begin to qualify for the next higher longevity step as of September 1, 1962, provided that he shall not be advanced to the next higher longevity step unless he completes 10 additional credits beyond those required for classification as educational officers;

(d) If the compensation determined under subsection 3 (c) is beyond the third longevity step of the appropriate salary range of the new schedule, his compensation shall be fixed at such amount and he shall continue to receive such compensation as long as he remains in the position or until such position is reassigned to a salary range having a maximum step in excess of such compensation, provided he completes the 10 additional credits beyond those required for classification as educational officers by September 1, 1969. If he does not meet such requirements, he shall receive a salary, beginning September 1, 1969, equal to step 6 of the salary range to which his class and position

are assigned and shall be advanced to the first longevity step when he has met the requirements for advancement to that step.

SECTION 5. Part III of Chapter 38, Revised Laws of Hawaii 1955, as amended, is hereby further amended, effective September 1, 1962, by adding thereto a new section to be appropriately numbered by the revisor of statutes and to read as follows:

“Sec. 38- . a. Teachers, teaching principals, vice-principals, principals and other professional officers and employees of the Department of Education upon rendering a year’s satisfactory service shall be entitled to an increase in compensation from that received during such year to that provided for by the next higher increment step in the salary range to which his position has been assigned.

b. Teachers and educational officers who have served satisfactorily for five years at the maximum step of the salary range to which their position has been assigned up to a maximum of fifteen years service shall receive longevity step increases; provided that educational officers shall not receive their first longevity step increase unless they complete 10 credits in their subject fields, preferably not in education courses, in addition to those required for classification as educational officers; and provided that any incumbent educational officer may receive up to ten credits for courses taken prior to September 1, 1962, which are in addition to those required for classification as educational officers.”

SECTION 6. Subsection (b) of Section 38-30 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

“(b) Classification of teachers shall be as follows:

(1) Class I: Any teacher who holds a certificate based on less than four years of collegiate education is eligible for classification in this class.

(2) Class II: Any teacher who holds a certificate based on four acceptable years of collegiate education or who has a master’s degree, not in education, from an accredited institution of higher education is eligible for classification in this class.

(3) Class III: Any teacher who holds a certificate based on five acceptable years of collegiate education, including one year of graduate study, or who has a master’s degree, not in education, from an accredited institution of higher education, including credits in education acceptable to the department, is eligible for classification in this class.

(4) Vocational Agriculture Class I: Any teacher in Class I who is teaching vocational agriculture.

(5) Vocational Agriculture Class II: Any teacher in Class II who is teaching vocational agriculture.

(6) Vocational Agriculture Class III: Any teacher in Class III who is teaching vocational agriculture.

(7) Technical Class I: Any teacher in Class I who is teaching technical school courses.

(8) Technical Class II: Any teacher in Class II who is teaching technical school courses.

(9) Technical Class III: Any teacher in Class III who is teaching technical school courses.”

SECTION 7. Part III of chapter 38, Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new subsection to section 38-30 to read as follows:

“(c) Classification of educational officers shall be as follows: Educational officers shall include teaching principals, principals, vice-principals and professional officers and employees in the state and district offices of the department of education. Educational officers shall (i) meet the requirements for admission to Class III; (ii) have twenty additional credits beyond the credits required for admission to Class III; and (iii) have a minimum of five years of teaching experience; provided that educational officers who are not certificated employees shall meet similar requirements for academic preparation and professional experience, which requirements shall be established by the board of education. An educational officer in service prior to June 30, 1962, who does not meet these requirements, may continue to serve in his position, but shall not be advanced or promoted to a position in a class at a higher salary range than the one to which he is assigned, until he meets the requirements for educational officers.”

Teaching principals, principals, and vice-principals shall further be classified on the basis of the number of pupils under their supervision as follows:

	No. of pupils under super.
a. Teaching-principal.....	0 through 219
b. Principal I.....	220 through 749
c. Principal II.....	750 through 1499
d. Principal III.....	1500 and over
e. Vice Principal I.....	750 through 1499
f. Vice Principal II.....	1500 and over

SECTION 8. Part III of Chapter 38, Revised Laws of Hawaii 1955, as amended, is hereby further amended effective September 1, 1962 by adding thereto a new section to be appropriately numbered by the revisor of statutes and to read as follows:

“Sec. 38- . Salary ranges for teachers, teaching-principals, vice-principals, principal and other professional officers and employees of the Department of Education shall be based upon years of experience or other qualification, and be otherwise subject to the requirements of sections 6 and 7 of this Act and section 38-33, Revised Laws of Hawaii 1955, as amended, and shall be as follows:

**POSITIONS—TEACHERS’ SALARY RANGE**

TEACHERS.....	CLASS I	TSR 1
	CLASS II	TSR 2
	CLASS III	TSR 4
VOCATIONAL AGRICULTURE TEACHERS....	CLASS I	TSR 7
	CLASS II	TSR 8
	CLASS III	TSR 9
TECHNICAL SCHOOL TEACHERS.....	CLASS I	TSR 7
	CLASS II	TSR 7
	CLASS III	TSR 8

## POSITIONS—EDUCATIONAL OFFICERS' SALARY RANGE

TEACHING PRINCIPAL.....	EOSR 2
VICE-PRINCIPAL I.....	EOSR 1
VICE-PRINCIPAL II.....	EOSR 2
PRINCIPAL I.....	EOSR 3
PRINCIPAL II.....	EOSR 4
PRINCIPAL III.....	EOSR 5
PROGRAM ASSISTANTS I.....	EOSR 3
PROGRAM ASSISTANTS II.....	EOSR 4
SUPERVISORS, OCCUPATIONAL INFORMATION.....	EOSR 4
SUPERVISORS, COUNSELING, TESTING, HEALTH SPEECH/HEARING.....	EOSR 5
SCHOOL PSYCHOLOGISTS.....	EOSR 6
PROGRAM SPECIALIST—STAFF SPECIALISTS— DEPUTY DISTRICT SUPERINTENDENTS.....	EOSR 7
STAFF SPECIALISTS—RESEARCH & STATISTICS— Administrators—Guidance, Special Education, Health, Technical Education & Adult Education, School and Library Facilities.....	EOSR 8
DISTRICT ADMINISTRATORS—Curriculum.....	EOSR 9
DIRECTORS—Vocational Post High School & Adult Education, Secondary, Elementary, Special Services, & Instructional Aid, School and Library Facilities.....	EOSR 10
ASSISTANT SUPERINTENDENTS FOR PERSONNEL.....	EOSR 10
SUPERVISING PRINCIPALS.....	EOSR 10
ASSISTANT SUPERINTENDENTS FOR BUSINESS— Senior Supervising Principals for Oahu Schools and Assistant Superintendent for Library Services.....	EOSR 11
DISTRICT SUPERINTENDENTS.....	EOSR 11
ASSISTANT SUPERINTENDENTS FOR CURRICULUM.....	EOSR 15

All TSR and EOSR salary ranges not indicated above are presently unoccupied.

SECTION 9. Section 38-3 of the Revised Laws of Hawaii 1955 is hereby amended by deleting "three years" in line 13 thereof and substituting therefor "five years".

SECTION 10. Section 38-34 of the Revised Laws of Hawaii 1955 is hereby repealed.

SECTION 11. Section 38-34.5 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

**"Sec. 38-34.5. Educational officers; transfers.** (a) An educational officer, if transferred to a school with a smaller number of teachers or to a position in a class assigned to a lower salary range, shall continue to be paid his previous salary for the first year of such new assignment, after which time he shall be compensated at the rate of step 6 in the salary range to which he has been assigned, subject to the provisions of subsections (b) and (c).

(b) A principal or vice-principal with more than five years of experience in the department, when transferred to a newly established school with a smaller number of teachers, shall continue to be paid the same salary to which he was entitled at the former school until the number of teachers at his newly established school entitles him to an increase under the provisions of section

38-31 or section . For the purposes of this section, a newly established school is defined as one which was established within three years of the transfer of a principal to such school.

(c) A principal or vice-principal, assigned to the same school, shall not have his salary reduced because of a reduction in the number of teachers under his supervision."

SECTION 12. Section 38-35 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

**"Sec. 38-35. Teachers with special assignments; vocational agriculture and technical school teachers.** Teachers with special assignments qualifying for the schedule in section 38-31 shall be rated the same as regular teachers, provided that in cases where the responsibilities are greater, the rate shall be increased proportionately by the department.

Notwithstanding any law to the contrary, teachers with special assignments, vocational agriculture teachers, and technical school teachers whose responsibilities are changed so that their duties are those of regular classroom teachers shall be placed in appropriate salary ranges for teachers on the basis of their academic preparation and on the appropriate step on the basis of their years of experience."

SECTION 13. Section 38-39 of the Revised Laws of Hawaii 1955 is hereby repealed.

SECTION 14. Act 182, Session Laws of Hawaii 1961, is hereby amended by amending section 7 thereof so that section 38-38 of the Revised Laws of Hawaii 1955 shall read as follows:

**"Sec. 38-38. Board responsibilities.** The board shall adopt fair and reasonable procedures and rules for the rating of the proficiency of educational officers."

SECTION 15. The sum of \$1,968,842.00, or so much thereof as may be necessary, is hereby appropriated from the general revenues of the State to pay the increase in compensation authorized under Sections 2 through 15, inclusive, of this Act to be effective September 1, 1962.

SECTION 16. The sum of \$837,000.00, is hereby appropriated to pay for salary adjustments effective July 1, 1962, in the rates of compensation for all personnel of the University of Hawaii established pursuant to Sections 44-8 and 44-10 of the Revised Laws of Hawaii 1955, and in effect on the effective date of this Act. Such sum as shall be used to grant an average increase of ten per cent in the rates shall be determined by the Board of Regents.

SECTION 17. The appropriations made by Sections 15 and 16 of this Act shall be allotted by the director of the budget to the several boards, commissions and officers of the State concerned. The moneys appropriated shall be expended in the same manner as other appropriations for personal services.

The funds appropriated in said sections shall cover the compensation of all officers and employees of the State except: Officers and employees of the State whose compensations are paid from federal funds or from special funds of the State, whether in whole or in part and whether directly or indirectly, to the extent that the amount required to pay the increase in compensation authorized by Sections 2 through 16 inclusive, of this Act can be obtained from such federal funds or special funds.

SECTION 18. Section 4-10 of the Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

"Sec. 4-10. Salary Schedule. Effective as of July 1, 1962, the monthly rates of basic compensation with respect to classes of positions to which this chapter applies shall be in accordance with the following schedule.

Salary Range	STEPS					
	B	C	D	E	F	G
1	236	248	260	273	287	301
2	248	260	273	287	301	316
3	260	273	287	301	316	332
4	273	287	301	316	332	349
5	287	301	316	332	349	366
6	301	316	332	349	366	384
7	316	332	349	366	384	403
8	332	349	366	384	403	423
9	349	366	384	403	423	444
10	366	384	403	423	444	466
11	384	403	423	444	466	489
12	403	423	444	466	489	513
13	423	444	466	489	513	539
14	444	466	489	513	539	566
15	466	489	513	539	566	594
16	489	513	539	566	594	624
17	513	539	566	594	624	655
18	539	566	594	624	655	688
19	566	594	624	655	688	722
20	594	624	655	688	722	758
21	624	655	688	722	758	796
22	655	688	722	758	796	836
23	688	722	758	796	836	878
24	722	758	796	836	878	922
25	758	796	836	878	922	968
26	796	836	878	922	968	1016
27	836	878	922	968	1016	1067
28	878	922	968	1016	1067	1120
29	922	968	1016	1067	1120	1176
30	968	1016	1067	1120	1176	1235
31	1016	1067	1120	1176	1235	1297

Whenever payment is made on the basis of an annual, weekly, hourly, or daily rate, such rate shall be computed in the following manner,

(a) by multiplying the monthly rate by twelve in order to find the annual rate, (b) by dividing the annual rate by fifty-two in order to find the weekly rate, (c) by dividing the annual rate by fifty-two and again dividing the result thereof by forty, in order to find the hourly rate, and (d) by multiplying the hourly rate by the number of daily hours of service required in order to find the daily rate."

SECTION 19. Salaries of public officers and employees under Chapter 4, Revised Laws of Hawaii 1955, as amended, shall be converted from the existing salary schedule (hereinafter referred to as "existing schedule") to the



new salary schedule set forth in section 12\* (hereinafter referred to as the "new schedule") in the following manner except as otherwise provided in this Act:

(1) a. On July 1, 1962, incumbent public officers and employees who are entitled to increment step increases or longevity step increases as of said date shall be credited for such increases under the existing schedule; and

b. After the adjustments determined in (1)a above, the salaries of all incumbent officers and employees shall be further adjusted by assigning them to the same salary range and increment step and longevity step in the new schedule;

(2) Each incumbent who, under the existing schedule, does not qualify for an increment step increase on July 1, 1962, shall have his salary adjusted by assigning his position to the same salary range and the same increment step in the new schedule as of July 1, 1962, and he shall then receive his increment on his appropriate anniversary date.

(3) An employee whose pay rate on June 30, 1962, does not coincide with a pay rate for one of the increment or longevity steps in the appropriate salary range (red circle pay rate) shall have his pay rate advanced to that for the next higher step in the existing salary schedule, if such is available, and following this adjustment transferred to the new schedule at the same step and range designation and his next increment due date shall be July 1, 1963 and for employees who are presently in a longevity step, he shall begin to qualify for the next longevity step as of July 1, 1962, as provided for by section 4-9 of the Revised Laws of Hawaii 1955, as amended.

(4) It is intended that commencing July 1, 1962, employees shall receive compensation at one of the pay rates of the appropriate salary range in the new schedule without any reduction from their existing pay rates.

SECTION 20. The sum of \$2,232,000.00 or so much thereof as may be necessary, is hereby appropriated from the general revenues of the State to pay the increase in compensation provided for public officers and employees of the State and counties under sections 18 and 19 of this Act.

The appropriations made by this section shall be allotted by the director of the budget to the several boards, commissions, and officers of the State concerned, and to the several counties. In the case of the counties, the moneys so allotted shall be paid into the county treasuries and held in special funds solely for the authorized purposes. Such moneys shall be expended in the same manner as other appropriations for personal services.

The funds appropriated by this section shall cover the compensation of all officers and employees of the State and counties except:

(a) Officers and employees of the State whose compensation is paid from federal funds or from special funds of the State, whether in whole or in part and whether directly or indirectly, to the extent that the amount required to pay the increase in compensation authorized by section 18 of this Act can be obtained from such federal funds or special funds.

(b) Officers and employees of the Board of Water Supply of the City and County of Honolulu.

SECTION 21. Notwithstanding any other provision to the contrary, all public officers and employees re-assigned by Act 188, Session Laws of Hawaii 1961, shall be converted on July 1, 1962, from the existing schedule to the new schedule as follows:

\* So in original.

(1) a. Each such public officer or employee entitled to an increment step increase or longevity step increase on July 1, 1962, shall be given credit for such increase under the existing salary range in the existing schedule on said date;

b. Following the adjustments set forth in (1)a, any adjustments due, as the result of Act 188, Session Laws of Hawaii 1961, shall be made in the following manner:

(i) If the rate of pay of any employee, after reassignment, is less than the minimum rate for his class, he shall be paid such minimum rate;

(ii) If upon re-assignment his rate coincides with one of the rates, he shall be paid at the next higher rate;

(iii) If the re-assignment is to a lower salary range and his rate coincides with one of the rates in the range, or exceeds the maximum rate, no adjustment shall be made in his rate of pay; and

(iiii) If the re-assignment is to a higher salary range and the rate exceeds the maximum rate of the range, he shall be paid at that longevity rate which is next higher if such a rate is available.

c. The rate of pay of any employee, as the result of re-assignment under the provisions of subsection (1)b above, shall be that rate in the new schedule which is at the same salary range and at the identical rate of pay.

(2) Each public officer or employee who under the existing schedule does not qualify for an increment or longevity step increase on July 1, 1962, shall have his pay rate adjusted only by re-assignment in accordance with the provisions of subparagraphs (i) through (iiii) inclusive of subsection (1)b and receive compensation on July 1, 1962, pursuant to subsection (1)c above, provided, however, that such officer or employee shall be entitled to receive his increment step pay increase on its due date.

It is intended that the conversion of pay rates to the new schedule shall be made without causing any loss or reduction in the pay rates of incumbent officers and employees.

Notwithstanding the provisions of any other law to the contrary, the provisions of this section shall be deemed to have satisfied the intent of Section 4-9, Revised Laws of Hawaii 1955, as amended, and Section 6, Act 188, Session Laws of Hawaii 1961.

It shall be mandatory that the Appeal Board established under sec. 4-4(c) of Act 188 Session Laws of Hawaii 1961, shall comply with the Administrative Procedures Act, Act 103 Session Laws 1961, in all respects.

SECTION 22. The second paragraph of Section 4-9 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"Any employee who is paid under the provisions of the salary schedule contained in section 4-10 and who has served satisfactorily for five years at the maximum step of the salary range for the class to which his position is assigned up to a maximum of fifteen years service shall receive longevity step increases. Each longevity step increase shall be five percent higher than the next lower rate of the range, rounded out to the nearest dollar. No longevity step increases shall exceed three consecutive step increases nor be based on more than fifteen years of continuous service at such maximum step."

SECTION 23. Effective July 1, 1962, the compensation of the Governor of the State of Hawaii shall be \$27,500.00 per annum and the compensation of the Lieutenant Governor of the State of Hawaii shall be \$21,500.00 per annum.

There is hereby appropriated from the general revenues of the State not otherwise appropriated the sum of \$5,000.00, or so much thereof as may be necessary to pay for the increase provided by this section.

SECTION 24. Effective July 1, 1962, the salary of the administrative director of the State shall be \$17,000.00 per annum.

There is hereby appropriated from the general revenues of the State not otherwise appropriated the sum of \$1,000.00, or so much thereof as may be necessary to pay for the increase provided by this Section.

SECTION 25. The salaries of the following State officers are hereby fixed at the following annual rates effective July 1, 1962:

a. The salaries of all single executives who are heads of any department of the State in effect on the effective date of this Act are hereby increased by 5% and the maximum salary provided for such executives in Section 44 of Act 1, Session Laws of Hawaii 1959, Second Special Session, shall be amended to read, \$18,500.00.

b. The salaries of all executive officers whose salaries are set by a board which heads any department of the State in effect on the effective date of this Act are hereby increased by 5% and the maximum salary of such executive officers shall be \$18,500.00.

There is hereby appropriated from the general revenues of the State not otherwise appropriated the sum of \$16,346.00, or so much thereof as may be necessary to pay for the increase provided by this Section.

SECTION 26. The salaries of first deputies or first assistants to the head of any department of the State in effect on the effective date of this Act are hereby increased by 5% effective July 1, 1962, provided however, Section 5-20, Revised Laws of Hawaii 1955, as amended, shall not be deemed repealed.

There is hereby appropriated from the general revenues of the State not otherwise appropriated the sum of \$14,082.00 or so much thereof as may be necessary to pay for the increase provided by this Section.

SECTION 27. The sum of \$9,850.00 is hereby appropriated from the general revenues of the state to the Department of the Attorney General for salary increases to deputy attorneys general.

The funds appropriated by this Section shall not be expended to pay the increases in compensations of such officers whose compensation is paid from federal funds or special funds of the State whether in whole or in part and whether direct or indirectly, to the extent that the amount required to pay the increase in compensation authorized by this section can be obtained from such federal funds or special funds.

SECTION 28. The compensation of the employees at the Governor's office and Washington Place not covered by specific statutes and in effect on the effective date of this Act, is hereby increased by 5% effective July 1, 1962.

The sum of \$6,988.00, or so much thereof as may be necessary is hereby appropriated from the general revenues of the State to pay the increase provided by this section.

SECTION 29. a. Sections 146-2, 147-1 and 148-1 of the Revised Laws of Hawaii 1955, as amended, are hereby further amended so as to provide the following schedule of salaries to become effective July 1, 1962, for the officers of the Counties of Hawaii, Kauai and Maui respectively:

	Per Annum
Chairman and Executive Officer.....	\$15,500.00
Members of the Board of Supervisors (each).....	4,800.00
County Attorney.....	13,500.00
Auditor.....	12,250.00
Treasurer.....	12,250.00
Clerk.....	12,250.00
Chief of Police.....	11,750.00
Fire Chief.....	11,750.00

b. Effective July 1, 1962, the salary of the Mayor of the City and County of Honolulu shall be \$21,000.00 per annum and the salary of each Councilman shall be \$6,300.00 per annum, except that the Chairman of the City Council shall receive an additional sum of \$525.00 per annum. All salaries shall be payable semi-monthly. Any changes in salary of the Mayor or Councilmen hereafter made shall be as heretofore authorized by the provisions of Act 261, S. L. H. 1959 (Charter of the City and County of Honolulu).

In addition thereto, the salaries of the following officers, until the salaries of such officers have been provided for in a pay plan recommended by the Mayor and enacted by ordinance, shall be at the following rates per annum payable semi-monthly:

	Per Annum
Corporation Counsel.....	\$16,800.00
Public Prosecutor.....	16,800.00
Chief of Police.....	15,225.00
Fire Chief.....	15,225.00

c. Effective July 1, 1962, Sections 149-54 and 149-55, as amended, are hereby repealed.

d. Except as provided in subsection b above the provisions of this Section shall control over any law passed by the Thirtieth Legislature of the Territory of Hawaii which includes reference to the salaries of officers of the City and County of Honolulu.

e. There is hereby appropriated from the general revenues of the State not otherwise appropriated, the sum of \$23,000.00, or so much thereof as may be necessary to pay for the increase provided by this Section. The appropriation made by this Section shall be allotted by the director of the budget to the respective counties, and moneys so allocated shall be paid into the county treasury of the respective counties and held in special funds solely for the authorized purposes.

SECTION 30. a. Effective July 1, 1962, the compensation of the Chief Justice of the Supreme Court of the State of Hawaii shall be \$23,625.00 per year and the compensation of the Associate Justices of the Supreme Court of the State of Hawaii shall be \$23,100.00 per year.

b. Effective July 1, 1962, the compensation of the Circuit Court Judges of the various Circuit Courts of the State of Hawaii shall be \$19,950.00 per year.

c. There is hereby appropriated from the general revenues of the State not otherwise appropriated, the sum of \$16,925.00, or so much thereof as may be necessary to pay for the increase provided by this section.

SECTION 31. a. Section 220-3 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended effective July 1, 1962, to read as follows:  
**"Sec. 220-3. Honolulu: Salary Rates.**

	Per Annum
First, second, third and fourth district magistrates, Honolulu, who shall not engage in the practice of law during their terms of office.....	\$12,000.00
District magistrate, Ewa.....	6,250.00
District magistrate, Waianae.....	5,000.00
District magistrate, Waialua.....	5,000.00
District magistrate, Koolaupoko and Koolauloa.....	6,500.00
District magistrate, Wahiawa.....	6,000.00
Clerks, reporters and interpreters, district court, Honolulu, (at rates provided under Chapter 4) ;	
A chief clerk	
A clerk-reporter supervisor	
Such other clerks and clerk-reporters as may be needed	
A Japanese interpreter	
A Filipino interpreter	
A Chinese interpreter	

b. Section 220-4 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended effective July 1, 1962, to read as follows:

**"Section 220-4. Hawaii.** The district magistrates, clerks and other assistants referred to in Section 220-2, and the salary rates of the district magistrates for the County of Hawaii are as follows:

	Per Annum
District magistrate, Hamakua, North and South Kohala.....	\$ 6,000.00
Clerk and reporter, district court of Hamakua, North and South Kohala, to be employed on a part-time basis and paid such salaries as may be determined by the Board of Supervisors, County of Hawaii	
District magistrate, North and South Kona.....	5,250.00
District magistrate, Kau.....	4,000.00
District magistrate, South Hilo, North Hilo and Puna, who shall not engage in the practice of law during his term in office.....	12,000.00

Chief clerk, first assistant clerk and reporter, and second assistant clerk and reporter, third assistant clerk and reporter, and fourth assistant clerk and reporter, district court of South Hilo, North Hilo and Puna, whose salaries shall be paid by the County of Hawaii, as provided for by Chapter 4."

c. Section 220-5 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended, effective July 1, 1962, to read as follows:

**"Section 220-5. Kauai.** The district magistrates referred to in Section 220-2, and their salary rates for the County of Kauai are as follows:

	Per Annum
District magistrate, Lihue and Koloa.....	\$6,250.00
District magistrate, Waimea.....	4,750.00
District magistrate, Kawaihau and Hanalei.....	4,750.00

d. Effective July 1, 1962, Section 220-6 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“Section 220-6. **Maui.** The district magistrates, clerks and other assistants referred to in Section 220-2 and the salary rates of the district magistrates for the County of Maui are as follows:

	Per Annum
District magistrate, Lahaina and Lanai.....	\$ 6,000.00
Clerk and stenographer, Lahaina.....	
Clerk and stenographer, Lanai.....	
District magistrate, Wailuku, who shall not engage in the practice of law during his term of office.....	12,000.00
Clerk and stenographer, Wailuku.....	
District magistrate, Makawao and Hana.....	6,000.00
District magistrate, Molokai.....	4,000.00
Clerk and stenographer, Molokai.....	

The salaries for the above clerks and stenographers shall be provided under Chapter 4.”

e. Effective July 1, 1962 chapter 220 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended, effective July 1, 1962, to read as follows:

“Section 220-8. **Kalawao.** The salary rate of the district magistrate for the County of Kalawao is fixed as follows: \$2,750.00 per annum.”

f. The sum of \$6,770.00 or so much thereof as may be necessary is hereby appropriated from the general fund of the State, not otherwise appropriated, for the purpose of paying the increases provided by this section.

The appropriation made by this section shall be allotted by the director of the budget to the respective counties, and money so allotted shall be paid into the county treasury of the respective counties and held in special funds solely for the authorized purposes.

SECTION 32. Section 50-23 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended, effective July 1, 1962, by deleting the figures “65” and “55” appearing in the first paragraph and substituting the figures “70” and “60” respectively.

There is hereby appropriated from the general fund a total sum of \$7,095.00 to be expended during the period 1962-63 to pay the increase in pay provided by this section.

SECTION 33. Effective July 1, 1962, the compensation of the revisor in effect on the effective date of this Act is hereby increased by 5% and the revisor’s maximum salary under Section 1-51, Revised Laws of Hawaii 1955, as amended, shall be \$14,700.00.

There is hereby appropriated from the general revenues of the State not otherwise appropriated, the sum of \$1,300.00, or so much thereof as may be necessary to pay for the increase provided by this section.

SECTION 34. Effective July 1, 1962, the compensations of executive officers of regulatory boards in effect on the effective date of this Act and whose compensations are established by the respective boards, are hereby increased by 5%, provided, however, Section 5-20, Revised Laws of Hawaii 1955, as amended, shall not be deemed repealed.

There is hereby appropriated from the general revenues of the State not otherwise appropriated the sum of \$2,000.00, or so much thereof as may be necessary to pay for the increase provided by this section.

SECTION 35. There is hereby appropriated from the general revenues of the State the sum of \$267,600.00 for the purpose of discharging the employer contributions of the State and the several counties to the employees' retirement system and/under the Social Security Act with respect to increases provided by this Act and covered by appropriations from the general revenues of the State.

SECTION 36. Appropriations made in Section 15 of this Act shall be for the period September 1, 1962, to June 30, 1963, and all other appropriations made herein shall be for the period July 1, 1962, to June 30, 1963.

SECTION 37. The unrequired balance of any fund appropriated by this Act may be transferred by the director of the budget to cover any deficiency in other appropriations made by this Act.

SECTION 38. All laws and parts of laws heretofore enacted which are in conflict with the provisions of this Act are hereby amended to conform herewith. All acts passed during this budget session 1962, whether enacted before or after passage of this Act, shall be amended to conform to this Act, unless such acts specifically provide that this Act is being amended.

SECTION 39. If any portion of this Act or its application to any person or circumstances is held to be invalid for any reason, then the Legislature hereby declares that the remainder of this Act and each and every other provision thereof shall not be affected thereby.

SECTION 40. This Act shall take effect upon its approval.

(Approved May 28, 1962.) S.B. 113.

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## ACT 29

An Act Relating to Bonus Payments Under the Employees' Retirement System Law, Amending Act 175, Session Laws of Hawaii 1961, and Making an Appropriation Therefor.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Retirants and pensioners are subject to increases in the cost of living. In order to meet these increases it is necessary to raise by five per cent the amount of the monthly bonuses granted by Act 175, Session Laws of Hawaii 1961.

SECTION 2. Act 175, section 12, Session Laws of Hawaii 1961, is hereby amended in the following respects:

a. Sec. 6-250 (a) thereunder is amended by deleting the sum, "Fifty dollars (\$50.00)", and substituting therefor the sum, "\$52.50".

b. Sec. 6-250 (b) thereunder is amended by deleting the sum, "Twenty dollars (\$20.00)", and substituting therefor the sum, "\$21".

c. Sec. 6-250 (c) thereunder is amended by deleting the sum, "Twenty dollars (\$20.00)", wherever it appears and substituting therefor the sum,

“\$21”, and by deleting the sum, “one hundred and thirty dollars (\$130.00)”, wherever it appears and substituting therefor the sum, “\$136.50”.

SECTION 3. There is hereby appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, the sum of \$104,200, or so much thereof as may be necessary, for the purposes of this Act. The appropriation shall be allotted by the director of the budget with the approval of the governor to the several boards, commissions and officers required to make bonus payments, except where there is a specific provision for payment of the bonus from other funds, and in the case of the counties, the money so allotted shall be paid into each respective county treasury and held in special funds solely for the purpose of paying bonuses.

SECTION 4. This Act, upon its approval, shall take effect on July 1, 1962, and upon approval of S. B. No. 113,\* as amended, of the First Legislature, State of Hawaii, Budget Session of 1962.

(Approved May 28, 1962.) S.B. 114.

\* Approved as Act 28, above.

**ACT 30**

An Act Relating to Public Improvements and the Financing Thereof, Making Appropriations for Public Improvements and Plans Related Thereto Out of General Revenues, Special Funds, and General Obligation Bond Funds for the Annual Period Ending June 30, 1963; and Providing for the Issuance of General Obligation Bonds.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The following sums, or so much thereof as shall be sufficient to finance the projects herein contained, are hereby appropriated; or authorized, as the case may be, from moneys in the treasury received from general revenues, special funds, general obligation bond funds, and federal grants, to be expended by the Department of Accounting and General Services, unless otherwise specified in the sub-section. The Governor, in his discretion, is authorized to use either general fund revenues or general obligation bond funds to finance those projects where the method of funding is not designated provided that the total sum of general fund revenues so used shall not exceed \$3,396,089 and the total sum of general obligation bond funds so used shall not exceed \$33,097,000. General obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance projects herein that do not have funding specifically designated provided that the sum total of general obligation bonds so issued shall not exceed \$33,097,000. The letter symbols used after the specific project appropriations, if any, indicate the source of financing and shall have the following meaning: (s)—special funds, and (f)—federal funds.

**A. STATE PROJECTS NOT LOCATED IN ANY SPECIFIC COUNTY.**

- 1. Department of Land and Natural Resources (To be expended by the Department of Land and Natural Resources.)
  - a. Access to State Land-Locked lands, All Islands..... 25,000 (s)



2. Department of Transportation (To be expended by the Department of Transportation.)	
a. Statewide Highway Route Planning, Traffic Finance, Road Use, Road Life, and Economic Studies.....	543,513 (s)
b. Study of Hawaii Shoreline Problems.....	50,000
To determine means for the preservation of existing beaches, restoring eroding beaches, development of new beaches, and abating beach pollution; a joint study with the U. S. Corps of Engineers.	
3. Office of the Lieutenant Governor (To be expended by the Office of the Lieutenant Governor.)	
a. For purchase of voting machines.....	100,000
4. Department of Accounting and General Services	
a. State Capitol Building.....	518,000
State Capitol Building approximately 445,785 sq. ft. including basement parking and facilities to house the Legislature, Office of the Governor and Lieutenant Governor, Departments of the Attorney General, Budget and Review, and the Comptroller functions of Accounting and General Services.	

**B. PROJECTS LOCATED IN THE CITY AND COUNTY OF HONOLULU.**

1. Department of Agriculture	
a. Quarantine Insectary, Honolulu.....	35,000
Hollow tile building of about 1,600 sq. ft. for quarantine, research and experiments on newly introduced parasites.	
b. Garage Building, Honolulu.....	19,125
A butler-type building of about 1,500 sq. ft. to house a garage, repair shop and office.	
2. Department of Land and Natural Resources (To be expended by the Department of Land and Natural Resources.)	
<b>Land Projects</b>	
a. Waimanalo Development, Oahu.....	750,000
Roads, drainage and utilities to subdivide 3,000 acres into farm, house, and business lots, and recreation areas.	
b. Sand Island Development, Honolulu.....	683,556
Roads, water and utilities to develop the island for business, industrial and possible trans-shipment uses.	
c. Magic Island Development.....	1,400,000 (s)
To supplement Act 195/61 appropriation to continue incremental development of phase I of the Ala Moana Reef Reclamation project. Balance in this appropriation shall be expended for dikes, fill and beach improvements in phases II and III of the project.	
<b>Park Projects</b>	
d. Kahana Bay Park, Oahu.....	300,000
To complete the purchase of remaining beach and shoreline area makai of Kamehameha Highway.	
e. Park Maintenance Shop, Garage and Storage Area, Oahu....	20,000
For a building to house workshop, park maintenance vehicles and equipment, storage area for materials.	
f. Historic Sites, Oahu.....	15,000
Acquisition, restoration and identification of the most significant sites on Oahu.	
g. Development, Peacock Flats, Oahu.....	35,905
For organized group camping use.	
h. Development, Waahila Ridge, Oahu.....	10,803
For organized group camping use.	
i. Public Access to Lands within Forest Reserve or Conservation District, Oahu.....	25,000
For hiking or recreational use.	

j. Keaiwa Heiau Park, Oahu.....	30,000	
Incremental expansion of existing picnic and camping area, water system and sanitary facilities.		
<b>Fish and Game Projects</b>		
k. Honolulu Bait Station, Kapalama.....	6,100	
Drain and chain link fence.		
l. Honolulu Bait Station, Kapalama.....	22,000	
Laboratory, office, storerooms and shops.		
m. Honolulu Game Management Area.....	10,100	
Checking stations, roads, fences and water units.		
<b>Forestry Projects</b>		
n. Makiki Nursery, Road Improvements.....	4,500	
Pave 0.3 miles of road from main highway to nursery.		
o. Forest ; Development Roads, Oahu.....	16,000	
3. Department of Transportation (To be expended by the Department of Transportation.)		
<b>Aviation Project</b>		
a. Seaward Jet Runway 10-28, Honolulu.....	100,000	
Preliminary engineering and cost estimates.		
<b>Harbor Projects</b>		
b. Inter-Island Ferry Boat.....	250,000	
For purchase or option to purchase, lease, or charter vessel of type equivalent to City of Havana, total price including necessary alterations not to exceed \$2 million.		
c. Keehi Lagoon Development.....	100,000	
Reef-fill and facilities.		
d. Kuhio Beach Improvements.....	25,000	
Completion of federally-aided beach erosion study, resolving of legal problems arising out of accretion of erosion, and plans.		
e. Haleiwa Beach and Breakwater improvements, Phase I.....	333,000	
Restore Haleiwa Beach and modify breakwater if necessary.		
f. Waianae Marina.....	40,000	
Complete preliminary plans authorized by Act 195/61 and complete final plans.		
g. Pokai Bay Beach Restoration.....	60,000	
h. Ala Wai Small Boat Harbor.....	250,000	
For roadways and other improvements.		
<b>Highway Projects</b>		
i. Oahu Transportation Study.....	100,000	
Preparation of a workable program to guide integrated, comprehensive transportation development on Oahu for the next 20 to 40 years. (County contribution may be in services or funds.) (To be expended by the Department of Planning and Research.)		
	100,000 (C&C)	
	400,000 (f)	
	<hr/>	
	600,000	
j. Farrington Highway from Waipio Junction to Ewa-Waianae Junction.....	744,291 (s)	
(Project under way) Widen two lanes to four lanes, divided.		
k. Lunalilo Freeway, Kaimuki Section from Old Waiialae Road to Kilauea Avenue.....	833,589	
(Project under way). Construct six and eight lane freeway.		
	11,359,800 (s)	
	<hr/>	
	12,193,389	
l. Lunalilo Freeway from Houghtailing Street to Nuuanu Stream.....	1,250,000	
(Project under way) Construct 1.3 miles of six lane freeway.		
	3,015,880 (s)	
	<hr/>	
	4,265,880	
m. Vineyard Boulevard from Lunalilo Freeway to Palama Street.....	60,334 (s)	
(Project under way) Construct four lane divided highway connection from Lunalilo Freeway to Vineyard Boulevard.		

n. Liliha Street from Vineyard Boulevard to School Street..... (Project under way) Widen and improve existing street and construct bridge over Lunalilo Freeway.	249,918 (s)
o. Interstate Route H-1 from Barbers Point to Kunia Road..... Construct 2.65 miles of four lane divided interstate freeway.	163,460 2,224,300 (s)
	<hr/> 2,387,760
p. Farrington Highway from Barbers Point to Piliokoe Gulch.. Land acquisition for 4.6 miles of four lane divided highway.	51,000
q. Kunia Road from Farrington Highway towards Schofield Barracks .....	15,000
Plans for one mile of two lane and four-lane of divided high- way in conjunction with interstate highway from Barbers Point to Kunia Road.	
r. Kalaniana'ole Highway from Kailua Junction towards Wai- manalo .....	384,250
Construct 3.1 miles of four lane divided highway.	377,000 (s)
	<hr/> 761,250
s. Interstate Route H-1 from East of Kunia Interchange to East of Waiawa Interchange.....	157,000
Plans and land acquisition for 3.9 miles of six lane divided highway and the Waiawa Interchange.	636,000 (s)
	<hr/> 793,000
t. Likelike Highway Lighting from School Street to Valley View Drive .....	54,000
u. Ewa-Schofield Junction .....	38,000 (s)
Plans and land acquisition for a traffic interchange to be constructed in conjunction with Wai'au interstate highway interchange. (Federal aid)	
v. Lunalilo Freeway from Pele to Keeaumoku Street.....	10,000 (s)
Continuation of plans for 1.1 miles of six lane highway. (Federal aid)	
w. Vineyard Boulevard from Lusitana Street to Lunalilo Free- way .....	112,000 (s)
Plans and land acquisition for a 0.3 mile six lane divided connection. (Federal aid)	
x. Traffic Signals at Kamehameha and Kalaniana'ole Highway, Waimanalo-Kailua Junction, Halawa Heights, Hale Street and Moanalua Road, Moanalua Road and Kamehameha Highway, Honomanu Street and Kamehameha Highway, Nimitz Highway and Main Street.....	169,900 (s)
y. Oahu Baseyard, Honolulu.....	16,900 (s)
Pave 105,000 sq. ft. of driveways and parking areas.	
z. Interstate Route H-1 from East of Kamehameha Inter- change to East of Moanalua Road Interchange (Aiea Sec- tion) .....	199,700
Plans for 3.2 miles of eight lane freeway and one interchange.	599,100 (s)
	<hr/> 798,800
aa. Interstate Route H-2 from Waiawa Interchange to Scho- field Barracks .....	150,000
Plans for 7.6 miles of divided highway and one interchange.	450,000 (s)
	<hr/> 600,000
bb. Interstate Route H-1 from Moanalua Interchange to Kapiolani Interchange in Kaimuki; and Route H-3 from Honolulu to Kaneohe Marine Corps Air Station.....	63,000
Plans for portions of Interstate Routes H-1 and H-3.	470,000 (s)
	<hr/> 533,000
cc. Kaena Point Road.....	43,000
Plans and land acquisition for 2.6 miles of two lane highway from end of prior improvement to Mokuleia.	

dd.	Wahiawa Bridge .....	25,000
	Preliminary engineering study and cost estimate.	
ee.	Farrington Highway-Kunia Road.....	5,000
	Overhead street lights.	
ff.	Farrington Highway-Waiawa Overpass to Waipahu High School .....	72,000
	Overhead street lights.	
gg.	Kalaniana'ole Highway from Kirkwood to May Way.....	450,000
	Widen existing highway to four lanes.	
4. Department of Education		
<b>Special and Technical Schools</b>		
a.	Diamond Head School, Classrooms A.....	154,000
	For the younger deaf. Replacement. Eight classrooms, rhythm room, toilets, teachers' restroom, lanais and connecting walkways. Equipment.	
b.	Diamond Head School, Classrooms B.....	146,500
	For the blind and intermediate deaf. Replacement. Three classrooms, one music room and library for the blind. Four classrooms for the deaf. Toilets, lanais, covered walkways. Equipment.	
<b>Public Libraries</b>		
c.	Manoa Branch Library .....	95,000
	Acquisition of land and plans.	
d.	Aiea Branch Library.....	288,500
	Construction of a branch library about 10,550 sq. ft. with provision for later expansion. Equipment. (Funds for land and plans previously appropriated.)	
e.	Waianae Branch Public-School Library.....	10,000
	Plans. Preliminary plans for a combination public-school library at the Waianae High School campus.	
f.	Kaimuki Branch Library.....	421,000
	As a supplement to prior appropriation and to include plans and construction of the library.	
5. University of Hawaii		
a.	Bookstore Extension .....	20,000 (s)
	Extension to present bookstore for offices, storage, and to permit better use of existing space.	
b.	Classroom Building #3.....	1,413,000
	Multi-story building of 75,000 sq. ft. for classrooms, laboratories, faculty offices and equipment. (Funds for plans previously appropriated.)	
c.	Dispensary .....	247,100
	Doctor's and nurses' offices, office for director of student health, treatment room, emergency beds for students and equipment. (Funds for plans previously appropriated.)	
d.	Equipment for Geophysics Building.....	53,700
	Furniture and equipment for undergraduate classrooms and laboratories for geology, meteorology and oceanography.	
e.	Women's Dormitory .....	600,000
	A low-rise residence hall for 120 women students. (Funds for plans appropriated previously.)	
f.	Campus Roads, Drainage and Utilities.....	400,000
	Completion of Belt Road begun as East-West Center access road, basic storm drains and campus lighting.	
g.	Grounds superintendent's cottage and nursery.....	49,000
h.	Gartley Hall Renovation.....	121,500
	Space to be vacated by Zoology, Science, Geology and the Tsunami programs will be converted to general classroom, laboratory and office use.	
i.	Dean Hall Renovations.....	13,000
	Plans for the renovation of Dean Hall, installation of fire escapes.	

j. Faculty Housing .....	410,000
Site preparation and construction of additional apartment units, and plans for future units.	
k. Equipment for the East-West Center Theater Auditorium....	225,000
Scenery and lighting controls and equipment, stage wagons, curtains and furniture to permit use of the auditorium, being constructed with Federal Funds, as a theater.	
l. Parking and Traffic Plan (Manoa Campus).....	11,000
m. Hawaii Marine Laboratory, Coconut Island.....	17,500
Plans.	
n. Equipment for Building and Maintenance Facility.....	38,125
o. Ceramic Laboratory. Plans.....	5,000
p. East-West Center Library. Plans.....	77,000
Plans for a graduate library.	
The Department of Accounting and General Services shall consult with the Administration of the University of Hawaii with respect to the selection of any architect or engineer for any of the projects for which an appropriation has been made for the University of Hawaii in this capital improvements budget.	
6. Department of Hawaiian Home Lands	
a. Papakolea Residence Lots.....	45,000 (s)
Roads, curbing, utilities. Increments of 10 (1963) and 75 (1967) houselots.	
b. Waimanalo Residence Lots.....	200,000
Second increment of an 800 lot subdivisions at Waimanalo.	
7. Department of Health	
a. Air conditioning of certain rooms, Kinau Hale.....	25,000
Air condition and soundproof Board Room and library. Air condition auditorium, print shop and graphic arts room.	
b. General Storage and Maintenance Building, Waimano Training School and Hospital.....	100,000
Butler type building of approximately 18,400 sq. ft. for better control of supplies and materials and for complete maintenance facilities. (Fund for plans appropriated previously.)	
c. Fire sprinkler system and fire escape, boys' area, Waimano Training School and Hospital.....	29,500
Sprinkler systems and fire escapes in Buildings I, II, III and G. Also fire sprinkler system in boys' kitchen and dining room.	
d. Renovation of Guensberg Building Basement, State Hospital	116,200
Alterations to the basement of Guensberg Building to provide space for physical therapy, X-ray and dental services which are to be relocated from the Center Building.	
e. State Hospital, Central Boiler Plant.....	18,000
As a supplement to prior appropriations.	
f. Renovation of Ward I, State Hospital.....	25,000
Renovate Ward I for maximum security to serve both the State Prison and State Hospital's potentially dangerous men patients.	
g. Stream Erosion Control, Hale Mohalu.....	80,000
Lining approximately 700 feet of stream bed and banks for erosion control.	
h. Renovation of Center Building, State Hospital.....	29,000
8. Department of Social Services	
a. Koolau Boys' Home, Dormitory Control Rooms.....	45,250
Construction of control rooms so that observation and actual control of boys in two dormitories are possible.	
b. State Prison, Dormitory .....	58,800
Construction of a dormitory to house 56 men on existing hospital and dormitory #6.	

c.	Koolau Boys' Home, Isolation Rooms..... Provide 12 isolation rooms in one of the existing cottages.	39,000	
d.	Hookipa Cottage, Kawailoa Girls' Home..... As a supplement to Act 195/61.	8,700	
e.	Oahu Prison, Chain Link Fence..... As a supplement to Act 195/61.	18,500	
f.	State Center for the Visually and Physically Handicapped.... Land acquisition and preliminary plans for Units C, D and E.	100,000	
g.	Fire Protection, State Prison..... Installation of high-pressure fire hydrants within industrial area.	5,500	
9.	Department of Accounting and General Services		
a.	Renovation of former Universal Motors Building..... Renovation to meet needs of Fish and Game and the Forestry Divisions of the Department of Land and Natural Resources.	19,500	
b.	Records Storage Center, Honolulu..... Plans for a warehouse type structure of 8,300 sq. ft. and office of 2,800 sq. ft. to process and store non-current and non-permanent records of limited use.	8,000	
10.	Taxation		
a.	Tax Office Building, Air Conditioning.....	25,000	
11.	Department of Defense		
a.	Access Roads, Parking Areas, Utilities, Diamond Head Crater ..... Access and circulation roads, parking, sewer line with pumping facilities, other utilities, relocation of existing pistol and rifle ranges to make room for construction within crater.	100,000	
b.	USP & FO Office and Warehouse..... Building in Diamond Head Crater of 28,000 sq. ft. to house United States property and fiscal officer administrative office and warehouse. State funds for planning, site preparation, roads, parking and utilities extensions from main lines to building and office space for state staff.	80,000 400,000	(f)
		480,000	
c.	Combined Field Maintenance Shop, Fort Ruger..... Building in Diamond Head Crater to house ordnance, automotive, instrument, and quartermaster repair and machine shops. State funds to finance plans, site preparation, parking, access roadways, and utilities extensions from main lines.	50,000 400,000	(f)
		450,000	
d.	Wahiawa Armory, Addition..... Additional wing of 6,000 sq. ft. to house headquarters, 29 <sup>th</sup> Artillery Group, Air Defense Artillery. Unit now at Ft. Ruger but on completion of Nike Hercules batteries near Wheeler, unit must move to Wahiawa.	84,000 36,000	(f)
		120,000	
12.	Judiciary		
a.	Air Condition Six courtrooms and office of the Chief Clerk, First Circuit Court, Honolulu..... Air conditioning to provide comfort in the courtrooms.	74,000	
13.	County Projects in the City and County of Honolulu. (To be expended by the City and County of Honolulu unless otherwise specified.)		
a.	School Projects: Group I		
1.	Maili Elementary (New)..... Land acquisition, 10 acres.	150,000	
2.	Maili Elementary (New)..... Construction. First increment: 18 classrooms, kitchen, site work.	474,000	
3.	Enchanted Lakes Elementary (New)..... Land acquisition, 13 acres.	290,000	

4. Enchanted Lakes Elementary (New).....	366,000
Construction. First increment: 12 classrooms, kitchen, site work.	
5. Waipahu Intermediate (New).....	5,000
Land acquisition, Navy, 14 acres.	
6. Waipahu Intermediate (New).....	807,000
Construction. First increment: 12 classrooms, kitchen, 2 P.E. locker-shower rooms, 2 music, 2 shops, site work.	
7. Waianae Intermediate (New).....	5,000
Land acquisition, Federal, 15 acres.	
8. Kahaluu Elementary (New).....	366,000
Construction. First increment: 12 classrooms, kitchen, site work.	
9. Nanaikapono Elementary and Intermediate (Existing)....	40,000
Plans and construction. 4 portable classrooms.	
10. Keapuka Intermediate (New).....	5,000
Land acquisition, 15 acres.	
11. Waianae High (Existing).....	12,000
Plans. 2 P.E. classrooms, 2 shops, fencing.	
12. Waianae High (Existing).....	160,000
Construction. 2 P.E. classrooms, 2 shops, fencing.	
13. Roosevelt High (Existing).....	120,000
Construction. 2 shops.	
14. Anuenue Elementary (Existing).....	7,000
Plans. Fourth increment: 5 classrooms.	
15. Anuenue Elementary (Existing).....	90,000
Construction. Fourth increment: 5 classrooms.	
16. Lunalilo Elementary (Existing).....	5,000
Plans. 4 classrooms.	
17. Lunalilo Elementary (Existing).....	72,000
Construction. 4 classrooms.	
18. Kapunahala Elementary (Existing).....	17,000
Plans. Second increment: 12 classrooms.	
19. Kapunahala Elementary (Existing).....	216,000
Construction. Second increment: 12 classrooms.	
20. Castle High (Existing).....	380,000
Construction. 6 classrooms, 2 music, 2 shops, parking.	
21. Liliuokalani Elementary (Existing).....	2,000
Grounds improvement.	
22. Aiea High (Existing).....	10,000
Construction. Sewer chlorinator building.	
23. Highlands Intermediate (Existing).....	265,000
Construction. Fourth increment: 2 shops, 2 music.	
24. Leilehua High (Existing).....	8,000
Plans. 4 P.E. classrooms, covered walks, site improve- ments.	
25. Leilehua High (Existing).....	100,000
Construction. 4 P.E. classrooms, covered walks, site improvements.	
26. Leilehua High (Existing).....	50,000
Construction. Agriculture units.	
27. Kalihi-Kai Elementary (Existing).....	45,000
Land acquisition—Settlement.	
28. Radford High (Existing).....	270,000
Construction. 10 classrooms, fencing.	
29. Lanikai Elementary (New).....	30,000
Land acquisition—Settlement.	
30. Lanikai Elementary (New).....	410,000
Construction. First increment: 15 classrooms, Kitchen, site work.	
31. Waialua High (Existing).....	11,000
Plans. 2 music.	

32. Waialua High (Existing).....	145,000
Construction. 2 music.	
33. Kalani High (Existing).....	270,000
Construction, 10 classrooms.	
34. Wahiawa 4th Elementary (New).....	5,000
Land acquisition, 10 acres.	
35. Wahiawa 4th Elementary (New).....	366,000
Construction. First increment: 12 classrooms, kitchen, site work.	
36. Niu Valley Intermediate (Existing).....	270,000
Construction. 10 classrooms.	
37. Aiea High (Existing).....	577,000
Construction. Fourth increment: 2 music, 2 P.E. locker- shower rooms, 2 P.E. classrooms, athletic field.	
38. Nuuanu Elementary (Existing).....	100,000
Construction. Third increment: 4 classrooms, toilets, covered walks.	
39. Kaewai Elementary (Existing) .....	72,000
Construction. 4 classrooms.	
40. Samuel Wilder King High (New).....	74,000
Plans. First increment: 16 classrooms, kitchen, 2 music, 2 shops, 2 P.E. locker-shower rooms, 4 P.E. classrooms, 1 agricultural arts and laboratory.	
41. Honouliuli Elementary (New).....	44,000
Plans. First increment: 24 classrooms, kitchen, site work.	
42. Waianae Intermediate (New).....	59,000
Plans. First increment: 14 classrooms, kitchen, 2 P.E. shower-locker rooms, 2 shops, 2 music.	
43. Pearl City Kai Elementary (Relocation).....	366,000
Construction. First increment: 12 classrooms, kitchen, site work.	
44. Waikiki Elementary (Relocation).....	582,000
Construction. First increment: 24 classrooms, kitchen site work.	
45. Waialae Elementary (Existing).....	265,000
Construction. 12 classrooms—replacement.	
46. Kalihi-Uka Elementary (Existing).....	222,000
Construction. 4 classrooms, administration, library re- placement.	
47. Kawanakoa Intermediate (Existing).....	60,000
Land acquisition—Settlement.	
48. Kawanakoa Intermediate (Existing).....	11,000
Plans. 2 Music—Replacement.	
49. Kawanakoa Intermediate (Existing).....	145,000
Construction. 2 Music—Replacement.	
50. Waipahu Elementary (Existing).....	40,000
Plans and construction, 4 portable classrooms.	
51. Laie Elementary (Existing).....	40,000
Plans and construction, 4 portable classrooms.	
52. Waiahole Elementary (Existing).....	20,000
Plans and construction, 2 portable classrooms.	
53. Kaala Elementary (Existing).....	20,000
Plans and construction, 2 portable classrooms.	
54. Pearl City Highlands Elementary (Existing).....	25,000
Plans and construction. Erosion control system, A.C. walkway.	
55. Niu Valley Intermediate (Existing).....	5,000
Plans and construction. Improvement to drainage system.	
56. Fern Elementary (Existing).....	5,000
Plans and construction. Grounds improvement.	
57. Aikahi Elementary (Existing).....	10,000
Plans and construction. Covered walkways.	



58. Pauoa Elementary (Existing).....	20,000
Plans and construction. Footbridge and site work.	
59. Waitupe Valley Elementary (Existing).....	15,000
Plans and construction. Grounds improvement.	
60. Waialae-Iki Elementary (Proposed).....	10,000
Plans and construction. Grounds improvement.	
61. Lanakila Elementary (Existing).....	3,000
Plans and construction. A.C. driveway.	
62. Hauula Elementary (Existing).....	2,000
Plans and construction. Pave main entrance, parking area.	
63. Aliamanu Elementary (Existing).....	2,000
Plans and construction. A.C. walkway.	
64. Waipahu High (Existing).....	8,000
Plans and construction. Parking area and site work.	
65. Washington Intermediate (Existing).....	12,000
Plans and construction. Off-street parking area.	
66. Kaahumanu Elementary (Existing).....	5,000
Plans and construction. Fencing.	
67. Waianae Elementary (Existing).....	10,000
Plans and construction. Fencing and site work.	
68. Maemae Elementary (Existing).....	3,000
Plans and construction. Covered walks.	
69. Kaneohe Elementary (Existing).....	5,000
Plans and construction. Paved Playcourt.	
70. Farrington High (Existing).....	4,000
Plans and construction. Sprinkler system for athletic field.	
71. Waipahu Elementary (Existing).....	2,000
Plans and construction. Waterline and sprinkler system.	
72. Aiea Elementary and Intermediate (Existing).....	2,000
Plans and construction. A.C. walkways.	
73. Pacific Palisades Elementary (Proposed).....	5,000
Land acquisition, 10 acres.	
74. Keana-Pikoiloa Elementary (Proposed).....	5,000
Land acquisition, 10 acres.	
75. Kailua-Mokapu Intermediate (Proposed).....	5,000
Land acquisition, 15 acres.	
76. Waialua-Mokuleia Elementary (Proposed).....	5,000
Land acquisition, 10 acres.	
77. Ewa Beach Elementary (Existing).....	10,000
Plans and construction. Grounds improvement.	
78. Various Schools.....	76,000
Inspection and incidentals.	

The amounts entered for each project in Group I are the estimated costs. The total cost of all projects is \$8,795,000 of which \$3,421,860 is hereby appropriated to the City and County of Honolulu by the State of Hawaii. This appropriation shall lapse unless matched by an appropriation of \$5,373,140 by the City and County of Honolulu for the same fiscal period.

Should the amount listed for any project in Group I be more than the amount required to complete that project, then any such surplus shall be transferred to any other project listed in Group I where the funds set forth are insufficient to complete such project.

Should the total amount appropriated by the State of Hawaii and the City and County of Honolulu for the projects listed in Group I (i.e. \$8,795,000) be more than the amount required to complete said projects then the surplus funds shall be used to complete projects in Group II, listed hereafter, if the total amount appropriated for Group II projects is insufficient to complete such projects.

Should there be any surplus remaining in the total appropriation made by the State of Hawaii and the City and County of Honolulu after meeting the cost of all projects in Group I, and in Group II, listed hereafter, then such surplus shall be used only for other school construction projects in the City and County of Honolulu.

All projects in Group I will be started during the fiscal year 1962-63 without reference to the order of listing.

b. School Projects: Group II

1. Kaimuki Intermediate (Existing).....	204,000
Construction. Administration, library, homemaking classrooms.	
2. Farrington High (Existing).....	300,000
Construction. 12 special classrooms. Replacement.	
3. Palolo Elementary (Existing) .....	180,000
Construction. 10 classrooms. Replacement.	
4. Kalakaua Intermediate (Existing).....	300,000
Construction. 12 special classrooms. Replacement.	
5. Pauoa Elementary (Existing).....	180,000
Construction. 10 classrooms. Replacement.	
6. Aliiolani Elementary (Existing) .....	237,000
Plans and construction. 12 classrooms. Replacement.	
7. McKinley High (Existing).....	356,000
Plans and construction. 12 special classrooms. Replacement.	
8. Manoa Elementary (Existing).....	30,000
Plans and construction. Drainage ditch improvement.	

The amount of \$1,787,000 is hereby appropriated to the City and County of Honolulu for the above school construction projects during the fiscal year 1962-63, without regard to the order of listing.

Should the amount listed for any project be more than the amount required to complete that project, then such surplus shall be transferred to any other project listed in this group where the funds set forth are insufficient to complete such project.

Should the total amount appropriated for the projects in this group be more than the amount required to complete all projects, then any surplus shall be used to complete projects in Group I, herebefore listed, if the total amount appropriated for projects in Group I, is insufficient to complete such projects.

Should there be any surplus remaining in this appropriation after meeting the cost of projects in this group and in Group I, then such surplus shall be used only for other school construction projects in the City and County of Honolulu.

c. School Projects: Group III

1. Wahiawa 4th Elementary (New).....	140,000
Land acquisition, 7.69 acres.	
2. August Ahrens .....	14,000
Plans. 8 classrooms.	
3. Waipahu Elementary .....	55,000
Land acquisition. (Land on Honolulu side of school.)	
4. Waipahu 3rd Elementary .....	5,000
Land acquisition.	
5. Nanakuli Elementary (Proposed) .....	5,000
Land acquisition.	
6. Kalihi-Waena .....	30,000
Retaining wall to enable school construction.	
7. Fern School, Cafetorium .....	100,000
Plans and construction.	
8. Dole Intermediate .....	5,000
Public address system.	

9. Lanakila School Cafetorium .....	225,000
Plans and construction.	
10. Kapalama .....	5,000
Paved school play area.	
11. Likelike .....	140,000
Plans and construction. 6 classrooms.	
12. Kalihi-Kai .....	100,000
Plans and construction. New kindergarten classroom building (4).	
13. Kauluwela .....	10,000
Construction. Covered walkway.	
14. Kauluwela .....	10,000
Construction. Fencing.	
15. Hokulani School Gymnatorium with Kitchen Complex....	145,000
Plans and construction. First stage.	
16. Manoa .....	10,000
Access road from East Manoa.	
17. Manoa .....	5,000
Covered walk, kindergarten to cafeteria.	
18. Kaimuki High .....	10,000
Air-conditioning for audio-visual room.	
19. Kaimuki High Gymnatorium .....	275,000
Plans and construction to be located at Kaimuki High School grounds.	
20. Farrington High Physical Education Field House Gymnatorium .....	400,000
Plans and construction.	
21. Castle High School Swimming Pool Plans.....	20,000
22. Kalani High School Gymnatorium Plans.....	30,000
23. Central Intermediate School, Parking Lot Paving.....	10,000
24. Lincoln School, Improvements .....	75,000
d. Miscellaneous.	
1. Construct asphalt footpath along Wilikina Drive from Kunia Road to Lakeview Circle, Wahiawa.....	2,000
2. Fort Weaver Road .....	16,000
Road widening.	
3. Board of Water Supply.....	50,515
To improve present water system in Lower Pearl City.	
4. Aliamanu Park .....	75,000
Site development and improvement.	
5. Liliuokalani Gardens .....	30,000
Improvements.	
6. Little Theater .....	75,000
Plans.	

**C. PROJECTS LOCATED IN THE COUNTY OF MAUI.**

1. Department of Agriculture	
a. Plant Quarantine Insectary, Kahului.....	5,000
Additions to existing insectary.	
2. Department of Land and Natural Resources (To be expended by the Department of Land and Natural Resources unless otherwise specified.)	
<b>Land Projects</b>	
a. Molokai Farm Lots, Molokai. Plans.....	20,000 (s)
Plans for agricultural subdivision on land exchanged with Hawaiian Home Lands on Molokai for public lands on Oahu.	
<b>Water Projects</b>	
b. Molokai Irrigation and Water Utilization Project.....	1,000,000
Reservoirs and distribution system. (Lapsing provisions in section 8 shall not apply to this appropriation if Federal Loan for this project becomes available. The appropriation to remain in effect until the Federal Loan is repaid.)	

**State Parks**

c. Lahaina Historical Restoration, Maui.....	100,000
Restoration of buildings, structures and other features of historical or archaeological interest at Lahaina. (To be expended by the County of Maui with the approval of the Lahaina Restoration Committee or Commission.)	
d. Honokawai Park, Maui .....	75,000
Land acquisition for a State park.	
e. Historic Sites, Maui .....	10,000
Acquisition, identification and restoration of the most significant historic sites in Maui County.	
f. Iao Valley Park, Maui .....	25,000
Improve water system intake, shelter, guardrails and foot-paths.	
g. Kanaha Pond, Kahului .....	50,000
Improvements and development of wildlife sanctuary at Kanaha Pond and works for the removal of stench. Providing such works will not destroy the wildlife environment.	
3. Department of Transportation (To be expended by the Department of Transportation)	

**Airport Projects**

a. Kahului Airport, Clear Zone Hazard Removal.....	160,000 (s)
Acquire aviation easements, remove trees and other hazards from approach zones. Acquire land for approach lighting system.	
b. Kahului Airport, T-Hangar .....	10,000 (s)
Erection of T-Hangar in the small plane area.	
c. Lanai Airport .....	100,000 (s)
Land acquisition and construction of runway extension.	

**Harbor Projects**

d. Lanai Small Boat Harbor.....	50,000
Completion of harbor of refuge and limited mooring and shoreside facilities.	
e. Kahului Harbor Improvements .....	165,000 (s)
Extension of Pier 2 Freight shed to provide about 9,300 additional sq. ft. of shed space.	
f. Small Boat Launching Ramps and Hoists for the County of Maui .....	75,000
g. Kaunakakai Small Boat Harbor, feasibility study.....	25,000
h. Maalaea Harbor .....	22,000
For installation of electrical outlets and construction of restroom facilities.	
i. Vacuum Cooling Plant and Reefer, Kahului.....	60,000 (s)
For vacuum cooling of farm products.	

**Highway Projects**

j. Farrington Avenue, Molokai .....	112,200 (s)
Complete the realignment, widening, and paving of 2.5 miles of existing road from Kapeelua Avenue to FAP Route 47 east of Kaulapuu.	
k. Hana Belt Road, Kakipi Gulch.....	15,627 (s)
Complete construction of bridge and 0.9 mile of two lane pavement.	
l. Hana Belt Road, from Waipio to Kailua.....	427,153 (s)
Completion of 2.5 miles of two lane highway.	
m. Makawao Avenue, Kaupakalua to Kakipi Gulch.....	29,600
Plans and land acquisition for the realignment, widening and paving of 3.2 miles of gravel road.	
n. Waiehu Beach Road.....	5,600
Plans for the reconstruction and paving of 1 mile of the existing road.	
	4,000 (s)
	9,600

o.	Maui District Base Yard .....	125,000 (s)
	For District office, parking garage, paint and carpenter shops and storage shed.	
p.	Sidewalk, Kaahumanu Avenue .....	25,000
	For a sidewalk on the southerly side of Kaahumanu Avenue, beginning from the intersection of South Papa Avenue and Kaahumanu Avenue towards Kahului.	
q.	Traffic Control Lights at Intersection of Puunene Avenue and Kaahumanu Avenue, Kahului .....	16,000
r.	Kaahumanu Avenue Right-of-Way Access Improvement..... Baldwin High School from Kaahumanu Avenue.	9,000
s.	Sidewalk, Molokai .....	11,500
	For sidewalk from Molokai High School on Farrington Avenue to Hoolehua Post Office.	
t.	Lower Kula Road.....	260,000
4.	Department of Education	
	<b>Special and Technical School Projects</b>	
a.	Lahainaluna School, Boarding Department.....	52,500
	For parking area and road extension.	
b.	Lahainaluna School, Dormitory Plan.....	50,000
	Plans for a new dormitory.	
c.	Maui Technical School, Classrooms, Plans.....	51,000
	Plans for a building for electronics, drafting, science, library and general classrooms.	
	<b>Library</b>	
d.	Wailuku Library .....	68,000
	For a new wing to provide restrooms and storage space. Relocation of garage; paving garage and garage area. Renovation of shipping room.	
e.	Plans and specifications, and construction of Kalaupapa Library .....	25,000
5.	Department of Health	
	<b>Hansen's Disease Projects</b>	
a.	Notley Dam Approach, Kalaupapa.....	5,000
	Replacement of wooden Catwalk.	
b.	Paving of Existing Dirt Roads and Parking Areas, Kalaupapa .....	25,000
	<b>Public Health Projects</b>	
c.	Hana Medical Center .....	75,000
	(To be expended by the County of Maui. Plans and program to be approved by the Board of Trustees for Maui Community Hospitals.)	
d.	T. B. Mobile Unit .....	40,000
	(To be purchased for use in Maui County only.)	
6.	Kula Sanatorium (All projects at Kula Sanatorium to be expended by the County of Maui).	
a.	Conversion of Fourth Floor to Chronic Bed Program.....	10,000
	For installation of sliding windows in the lanai ward enclosures and other improvements.	
b.	Resurfacing of Paving of Hospital Roads.....	25,000
	Resurface or sealcoat existing paved roads. Pave about 1 mile of existing dirt road.	
c.	Boiler, Kula Sanatorium.....	13,700
	For installation of a new boiler.	
7.	Accounting and General Services	
a.	State Office Building, Wailuku .....	161,000
	Including additional land acquisition and plans.	
b.	Experiment Station, Approach Road.....	9,000
8.	County Projects located in the County of Maui. (To be expended by the County of Maui unless otherwise specified.)	

a. School Construction, Maui County.....	1,095,000
Kealahou .....	500,000
Molokai High School.....	195,000
Hana Vocational Ag. Class.....	25,000
Kahului, Planning for New School.....	20,000
Lanai .....	100,000
Baldwin High Vocational Ag. Building.....	125,000
Wailuku Elementary Acquisition of Land and Development .....	40,000
Maui High School.....	90,000
b. Parking Facilities, Maui County .....	360,000
Funds to be allotted after completion of housing and home financing agency 701 planning, provided, that the location of the off-street parking is consistent with the plan prepared for the area.	
c. Waiehu Golf Course, Plans .....	25,000
Plans for the construction of additional nine holes, Waiehu Golf Course.	
d. Makawao Civic Center, Plans.....	25,000
e. Kula Pipeline .....	1,000,000
For incremental development of transmission lines. (To be expended by the Board of Water Supply, County of Maui.)	
f. Iao Valley Road .....	134,129
g. Central Maui Memorial Hospital .....	100,000
h. Sidewalk, Extension from Wakea Avenue to Puunene Ave- nue .....	25,000
i. Onealii Park (Molokai) .....	25,000
j. Covered Walkway, Kahului School .....	15,000
k. Sprinkler System, Kaahumanu Avenue .....	180,000
l. Lanai Hospital Subsidy .....	45,000
m. Wailuku Memorial Convention Auditorium (Completion of bldg. & site.).....	100,000
n. Molokai Hospital .....	30,000
Maui County shall disburse such funds to any county or private hospitals within its jurisdiction as it deems best, provided, that in the event Maui County has advanced any funds to any county or private hospitals during the period January 1, 1962 to June 30, 1962, Maui County shall be reimbursed from the above appropriations to the full extent of such advances.	
9. Program for State Aid to Maui County Road Development to Encourage Economic Growth.	
a. Paukukalo to Piihana Road .....	10,000
For a road from the Hawaiian Homes Lands subdivision to Piihana Road, Wailuku.	
b. Hapapa Road .....	18,000
c. Omaopio Farm to Market Road .....	50,000

**PROJECTS LOCATED IN THE COUNTY OF HAWAII**

1. Department of Agriculture	
a. Plant Quarantine Greenhouse, Hilo.....	12,000
Building of about 450 sq. ft., concrete floor, redwood sid- ing, and glass roof for the quarantine of imported plants.	
2. Department of Land and Natural Resources. (To be expended by the Department of Land and Natural Resources unless otherwise specified.)	
<b>Land Development Projects</b>	
a. Hilo Industrial Development, Hawaii.....	300,000
Roads, water, and utilities for development of State land in Hilo for commercial and industrial use; first increment of 21 acres.	

- b. Pasture and Agricultural Land Development, Hamakua, Hawaii ..... 50,000 (s)  
Farm roads, fences, and such utilities as are needed to break up large land areas into economic units suitable for the small farmer and rancher.
- c. Lalamilo Houselots, Hawaii ..... 125,000 (s)  
Roads, water, and utilities for extension of subdivision near Kamuela to provide houselots size 15,000 sq. ft.
- d. University Heights, Hawaii ..... 50,000 (s)  
Waiakea House Lot Fund.

**Water Projects**

- e. Ahualoa-Kaapahu-Pohakea Pipeline, Hamakua, Hawaii..... 450,000  
Install transmission line, storage tanks, and booster pump station. (To be expended by the Board of Water Supply, County of Hawaii, subject to approval of plans by the State Department of Land and Natural Resources.) Provided that any unrequired balance of this appropriation shall be transferred to other water projects in the district.
- f. Kawaihae-Puako System, Hawaii ..... 100,000  
Construct storage tank, pipelines, and develop source.
- g. Waiaha to Honokohau, North Kona, Water Transmission line ..... 50,000  
Plans and Construction.
- h. Keeki to Honanau, South Kona, Water Transmission line... 50,000  
Plans and Construction.
- i. Water System Plans, County of Hawaii..... 5,000  
Plans for source development and water transmission mains for Kaiwiki Water System, Hilo and Kalapana-Kaimu Water System, Puna. (To be expended by the Board of Water Supply, County of Hawaii.)
- j. Kurtistown Water System, Puna, Hawaii..... 10,000  
Completion of Water System. (To be expended by Board of Water Supply, County of Hawaii.)
- k. Mountain View Water System ..... 150,000  
(To be expended by Board of Water Supply, County of Hawaii, subject to approval of plans by Department of Land and Natural Resources.)
- l. Kaieie Water System, Papaikou ..... 50,000  
Source, filter, system development, and construction. (To be expended by Board of Water Supply, County of Hawaii.)
- m. Hamakua and Kohala Water Development Study..... 20,000  
For water source study of Kohala Mountains and water development plans for Hamakua area.

**State Parks**

- n. Pohakuloa Park, Hawaii Development Plans and feasibility study to include cable cars or Ski Lift to summit of Mauna Kea ..... 77,330  
Also to expand existing facilities to provide for organized group camping, lodging accommodations, picnic area, trails, and water systems.
- o. Lava Tree and McKenzie Parks, Hawaii..... 10,000  
Expand facilities for parking, picnicking, and camping.
- p. Wailoa River Park, Hilo, Hawaii ..... 152,734  
Incremental expansion of parking areas, roads, picnic areas, boat docks, and land area.
- q. Historic Sites, County of Hawaii..... 15,000  
Acquisition, restoration, and identification of the most significant sites.
- r. Land Acquisitions, Kaiko-o Project ..... 100,000  
Purchase of remnant lands, Kaiko-o Project, Hilo, Hawaii. (To be expended by the Department of Land and Natural Resources.)

**Fish and Game Projects**

- a. Mauna Kea-Mauna Loa Game Management Area..... 33,000  
Roads and fences in fiscal year 1962. No range cabins.

**Forestry Projects**

- t. Kamuela State Nursery ..... 35,700  
For completion of State Nursery and equipment.
- u. Forest Development Roads and Trails, Hawaii..... 35,000  
Dirt Roads 12' wide, foot and horse trails. Program for fiscal year 1962-1963:
  - (a) Waiakea State Forest Roads.
  - (b) Upper Waiakea State Forest Roads.
  - (c) Honuauia State Forest Roads.

3. Department of Transportation (To be expended by Department of Transportation unless otherwise specified.)

**Airport Project**

- a. General Lyman Field, Extension of Runway 8-26..... 100,000  
Grading, drainage, paving, and lighting for 4,622 ft. extension of runway. 900,000 (s)  
740,000 (f)

**Harbor Projects**

- b. Small Boat Launching Ramps ..... 75,000  
To be constructed in the following areas at approximately \$15,000 each: Puako Beach Lots Area, Kau, Kona, Pohoiki, and Mahukona.
- c. Waialoa River Improvements ..... 182,500  
Enlarge existing facilities along Waialoa River.
- d. Freight Shed at Kailua Pier, Kailua, Hawaii..... 50,000 (s)  
Alteration of freight shed after March 1, 1963, provided that the Director of Transportation, after public hearing held in January, 1963, determine that such alteration is warranted.

**Highway Projects**

- e. Hawaii Belt Road, Honokaa-Mud Lane..... 1,025,575 (s)  
Completion of 9.3 miles of two-lane highway and a bridge.
- f. Honokaa-Waipio Road ..... 159,000 (s)  
Completion of 3.1 miles of two-lane highway and a bridge.
- g. Hawaii Belt Road, Keauhou to Kainaliu..... 209,607 (s)  
Completion of 2.8 miles of two-lane highway.
- h. Kaimu to Volcanoes National Park Boundary..... 227,984 (s)  
Portion of two-lane highway.
- i. Volcano Road, Glenwood Section ..... 274,000 (s)  
Plans, survey, and construction to widen and improve existing road.
- j. Kawaihae-Puako Road ..... 250,000  
Pave second lane of 1.8 miles road from Kawaihae Road to Hapuna.
- k. Pahoia-Kaimu Road, Puna ..... 25,000  
Widen and resurface sections of 2 miles of existing road. (To be expended by the County of Hawaii.)
- l. Kailua-Kawaihae Road ..... 200,400  
Construct approximately 4 miles of two-lane highway from Kailua towards Keahole Point to provide access to proposed Honokahau Small Boat Harbor.
- m. Kawaihae Road, Kawaihae to Waiaka Junction..... 22,016 (s)  
Completion of plans and land acquisition for construction of 12 miles of two-lane highway. (Federal aid project.)
- n. Kawaihae-Mahukona Road ..... 526,000  
Acquisition of lands and construction, including plans.
- o. Olaa to Hilo Road ..... 70,000  
Cut down bad hills, pave, and resurface in-bound lane including Olaa town.
- p. Hamakua Belt Road ..... 60,000  
Realign and widen Kapehu Bridge.



q. Pedestrian Overpass over the Hawaii Belt Road at Paauilo..	22,500
r. Pedestrian Overpass over the Hawaii Belt Road at Papaaloa or Laupahoehoe .....	22,500
s. Olaa-Pahoa Road Connector.....	50,000 (s)
Completion of connecting road between Volcano Road and Olaa-Pahoa Road.	
<b>4. Department of Education</b>	
<b>Special and Technical School Projects</b>	
a. Hawaii Technical School .....	14,000
Plans for building to house business education, science, and general classrooms.	
<b>Library</b>	
b. Mezzanine Stack-room and alterations, Central Library, Hilo	47,500
Construction of mezzanine floor to provide space for back files of periodicals, lighting and equipment.	
c. Pahala Branch Library .....	25,000
Completion of Pahala Branch Library.	
d. Hilo High School .....	220,260
Library, construction and equipment. (To be expended by County of Hawaii.)	
<b>5. University of Hawaii</b>	
a. Waimea (Hawaii) Field, Agricultural Experiment Station..	173,713
Office, laboratories for research in beef cattle, range improvement and vegetable crops. Substation at Lalamilo Tract. U.H.H.C. laboratory facilities costing \$65,000 included herein.	
b. University of Hawaii, Hilo Campus.....	601,500
For the following projects:	
1. Classrooms, equipment, supplies and roads to dormitory.	
2. Completion of dormitory.	
3. Equipment for library.	
4. Paving of experiment station parking area.	
5. Plans for auditorium, exhibition hall, and extension service office space.	
c. Kona Extension Service Building.....	15,000
d. Hamakua Field Experiment Station .....	10,000
To complete establishment.	
<b>6. Department of Hawaiian Home Lands.</b>	
a. Kawaihae Houselots .....	25,000 (s)
Construction of road and watermain to serve 34 lots already subdivided.	
b. Mohouli or Panaewa Subdivision, Hilo.....	35,000
Construction of roads, water and electric lines for a 65-houselot subdivision. (Total project estimated at \$200,000.	
Airports Division to provide at least \$120,000 towards this project.)	
	80,000
<b>7. Department of Accounting and General Services</b>	
a. Hilo Theater Building .....	10,000
Development plans and feasibility study, for aquarium or oceanarium in conjunction with U.H.H.C.	
b. State Office Building, Oiaa.....	6,000
Plans for a building for joint occupancy by certain government agencies in Puna. Location to be in compliance with Keaau Master Plan.	
c. State Office Building, Honokaa.....	9,000
Plans for a State Office Building for joint occupancy by 5 State agencies.	
d. Hawaii State Building Complex, Hilo.....	60,593
General plans including Third Circuit Court at site of present County office building and its surrounding areas.	

8. Department of Health	
a. Waiiaka Health Center .....	17,000
To complete construction.	
b. Purchase of T.B. X-ray Mobile Unit.....	40,000
For use in the County of Hawaii.	
c. Sewage Disposal Facilities Construction Grant, Kailua-Kona	202,000
To be used in conjunction with Federal funds available for	
this purpose.	
9. County Projects located in the County of Hawaii (To be expended by the County of Hawaii.)	
Road Construction Aid to Hawaii County	
a. Niupea Homestead Road, Hamakua, Hawaii.....	15,000
b. Akaka Falls Road, Hawaii .....	50,000
Improve, pave and resurface existing Akaka Falls Road.	
c. Kaehe Road, Pahoa, Hawaii .....	15,000
Acquisition of land and construction of by-pass road, Pahoa High School.	
d. Old Volcano Road, Kurtistown, Hawaii.....	5,000
Pave existing road including entrance to Kurtistown School.	
e. Kalopa Homestead Road .....	15,000
Pave portion of State Highway beginning from Hamakua Belt Road, through and between Middle Road with drainage facilities.	
f. Panaewa Farm Houselots Road.....	24,740
Pave existing roads starting from the Hawaii Belt Road-Lilihoi Street.	
g. Road and Bridge, Kaieie, South Hilo.....	35,000
Widen road and construct bridge.	
h. Kaiwiki, South Hilo .....	45,000
Widen and extend existing road.	
i. Road to connect Nalani Street to Ainalako Road.....	40,000
Construct road over State property, abutting properties bearing Tax Key numbers 2-4-04-85, 2-4-04-86 and 2-4-04-87.	
j. Puainako Street .....	100,000
Widen and resurface between Iwalani and Komohana Streets.	
k. Laupahoehoe Homesteads Road .....	30,000
Construct a road through portion of Lots 11 and 12.	
l. Lepoloa Road .....	25,000
Construction of Lepoloa Road at Umauma, Honohina.	
m. Keauhau-Kailua, Kona, Beach Road.....	50,000
10. School Construction, Hawaii County (To be expended by the County of Hawaii.)	
a. Konawaena High School .....	755,360
Completion of Third Phase.	
b. Mountain View School, Mountain View.....	20,000
Improve P. E. facilities and to pave existing entrance. May be used to renovate A. J. Watt Gymnasium due to weather condition.	
c. Honokaa High School.....	20,000
Plans for the construction of New Elementary Division.	
d. Keaau School, Puna, Land Improvement.....	40,000
Improve P. E. facilities and to pave around new gymnasium.	

**PROJECTS LOCATED IN THE COUNTY OF KAUAI**

1. Department of Land and Natural Resources. (To be expended by the Department of Land and Natural Resources.)

**Land Projects**

a. Wailua Resort Development .....	100,000 (s)
Reimbursement to the Land Revolving Fund as required by Statute.	

b.	Wailua Houselots .....	30,000 (s)
	Road, drainage, and utilities for fourth extension of sub-division to provide 20 lots of about 12,000 sq. ft. each.	
c.	Kapaa Swamp Reclamation .....	75,000
	Including land fill, roads, water, sewer system and utilities for continuation of project.	
d.	Salt Pond Development .....	180,000
	Roads, water, sewer system and utilities for development of recreation, business, resort and public facilities.	
e.	Weliweli Houselots .....	50,000
	For roads, water system and utilities.	
<b>Water Projects</b>		
f.	Kokee Irrigation Project .....	125,000
	For reservoir water-tightness test and study, engineering feasibility of construction of dam, and engineering and economic feasibility study of complete project.	
g.	Puu-Ka-Pele Water System .....	50,000
	Transmission line and tank to complete the connection of Puu-Ka-Pele System to Kokee Park System and appurtenances. The Department of Land and Natural Resources may use its present staff, employ temporary personnel and employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended. To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.	
h.	Kapaa-Wailua Water System, Kapahi Farm Lots.....	40,000
	For installation of water system to serve State Kapahi Farm Lots.	
i.	Hanalei Water System .....	48,000
	Construct transmission line along the Hanalei Rice Mill Road—to provide potable water for present residents in said area who are now drinking open ditch water.	
j.	Koloa-Poipu Water System .....	123,000
	For new well, pumps controls and appurtenances at Koloa, pipeline from new well to Koloa tank and first increment pipeline to Kukuiula.	
k.	Lihue Water System .....	29,000
	Plans and land for new tank, pipeline to tank, booster pump and appurtenances.	
l.	Waimea-Kekaha Water System .....	25,000
	Enlarge Waimea source and install larger pumps and appurtenances.	
m.	Wainiha Water System .....	25,000
	Construction of transmission lines and facilities to complete the relocation and rehabilitation of tidal wave victims. Appropriations for domestic water systems in Items E-1-h, i, j, k, l, and m are to be expanded by the Kauai County Board of Water Supply; plans to be approved by the State Department of Land and Natural Resources.	
n.	Hanalei River Project .....	25,000
	To supplement Act 195/61 appropriation to complete the clearing and snagging of river and blasting, clearing of coral heads and obstructions at mouth of Hanalei River and construct necessary improvements.	
<b>State Parks</b>		
o.	Wailua River Park .....	50,000
	General development, Wailua River including dredging of area for boat landing facilities, picnic and park areas, roads, overlooks and general landscaping. The Department of Land and Natural Resources may use	

its present staff, employ temporary personnel and employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended. To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.

p. Kokee Park .....	40,000
Expand existing facilities for picnicking, lodging, and bridle trails, renovate organized group camp. The Department of Land and Natural Resources may use its present staff, under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended.* To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.	
q. Kuhio Park .....	10,000
For construction of comfort station. (To be expended by the County of Kauai) The Department of Public Works of the County of Kauai is hereby authorized to make necessary plans and specifications by utilizing its personnel and employees and may employ temporary employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended.	
<b>Forestry Projects</b>	
r. Forest Development Trails .....	6,000
s. Lihue Plant Nursery .....	2,600
For construction of comfort station for visitor convenience.	
2. Department of Transportation (To be expended by the Department of Transportation.)	
<b>Airport Projects</b>	
a. Lihue Airport, Additional Terminal Facilities.....	50,000 (s)
For alterations and additions to restaurant and covered walkway.	
b. Lihue Airport, T-Hangars .....	10,000 (s)
For erection of prefabricated T-Hangars.	
<b>Harbor Projects</b>	
c. Kapaa Beach Erosion Control.....	19,000
Design and construct retaining wall to protect against further erosion along Kapaa Beach, fronting Kapaa town.	
d. Hanapepe Beach Erosion Control.....	19,000
For construction of retaining wall to prevent erosion of Hanapepe Beach.	
e. Waikaea Small Boat Harbor.....	3,000
Plans for a harbor to be built in Waikaea Canal and Wai-pouli Park.	
f. Nawiliwili Small Boat Harbor.....	3,000
Development and execution of necessary plans and specifications, in conjunction with Federal developmental plans.	
g. Nawiliwili Pier I shed Additions.....	90,000 (s)
Construct a new shed adjoining existing vegetable shed at the same level as Pier I deck. Construct new office building for harbor master, and including cold storage facilities.	
h. Port Allen Pier and Nawiliwili Pier.....	85,536 (s)
Install Vacuum cooling plant and reefer, for vacuum cooling of farm products.	
i. Kikiaola Small Boat Harbor.....	25,000
Construct bulkhead to protect shoreline of boat basin.	
j. Kukuila Marina, Study.....	3,000

\* So in original.

<b>Highway Projects</b>		
k.	Kauai Belt Road, Papaa to Pilaa..... Complete 3.9 miles of two-lane highway.	420,700 (s)
l.	Ahukini Road ..... Complete 1.5 miles of two-lane road from Lihue Airport to Lihue.	96,414
m.	Kauai Belt Road—Pilaa to Kilauea..... Complete 3.6 miles of two-lane highway.	128,113 (s)
n.	Poipu Beach Road ..... Relocation and construction of Poipu Beach Road on donated right-of-way, in accordance with the plans prepared by the State Department of Transportation.	256,500
o.	Kauai Belt Road, Lumahai Bridge..... Land acquisition and plans.	30,000 12,464 (s)
		42,464
p.	Kokee-Waimea Heights Road ..... Construction of road from Waimea Heights to Kokee along canyon ridge line to existing Kokee road. The Department of Transportation may use its present staff, employ temporary personnel and employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended. To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.	306,474
q.	Wailua Falls Loop Road..... Construction of road from North Fork Wailua River along power line trail to Princeville. The Department of Transportation may use its present staff, employ temporary personnel and employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended. To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.	306,474
r.	Kokee Park Road, Halemanu to Kalalau..... Improve main road in park by widening, culvert extension, and repaving. The Department of Transportation may use its present staff, employ temporary personnel and employees under the provisions of Chapter 3 of the Revised Laws of Hawaii 1955, as amended. To the maximum practical extent, the Department shall employ persons registered as unemployed with the Department of Labor and Industrial Relations. The Department may enter into contracts for the necessary equipment and supplies to be used in the project by negotiation.	175,000
<b>3. Department of Health</b>		
a.	Lihue Health Center ..... Health Department office, laboratory and clinic building of about 9,864 sq. ft. of space plus 2,500 sq. ft. of open shed for vehicle storage.	190,000 125,000 (f)
		315,000
b.	Samuel Mahelona Memorial Hospital..... Maintenance workshop of about 2,400 sq. ft., grease and wash racks, and sand blasting shed. Paving garage and roadway.	40,000
<b>4. Department of Accounting and General Services</b>		
a.	State Office Building, Lihue..... For plans for a new State office building.	14,000
<b>5. Department of Defense</b>		
a.	Firing Safety Berm, Kekaha Rifle Range..... Construction of 30-foot high firing safety berm in rear of firing pits.	11,000

b. Kapaa Armory .....	17,000	
Security Fencing, paving and flammable material storage.		
6. School Construction, County of Kauai (To be expended by the County of Kauai).....		595,930
a. Waimea High School .....	19,785	
Addition to Shop Building		
b. Waimea High School .....	153,600	
Construction of 4-classroom building, including restrooms and furniture.		
c. Eleele School .....	99,300	
Construction of classroom including furniture.		
d. Kapaa High and Elementary School.....	135,500	
Construction of classroom building, including furniture.		
e. Kapaa High and Elementary School.....	18,000	
Construction of students' toilet and teachers' restroom.		
f. Kauai High School .....	127,700	
Construction of Music Building and Classroom Buildings, including furniture.		
g. Kapaa High and Elementary School.....	36,500	
Construction of loading and unloading bus terminal, walkways, paving, etc.		
h. For general plans for Kauai's Schools.....	5,545	
Provided, that should the amount listed in the subsections for any project be more than the amount required to complete that project, any surplus may be transferred to any other project listed in this subsection where the funds set forth are insufficient to complete such project.		
7. Kauai War Memorial Convention Hall, Lihue.....		600,000
Supplementing funds appropriated under Act 186 Session Laws of Hawaii 1947, for the completion of construction, equipment and furnishing of said Hall. (To be expended by the County of Kauai.)		
8. Kauai Veterans Cemetery.....		15,000
For completion of a building and furnishings. (To be expended by the County of Kauai.)		
9. Anahola Hawaiian Homes Park.....		10,000
(To be expended by the County of Kauai.)		
10. Mount Kahili Road.....		10,000
Repair, rehabilitate and improve existing unpaved roadway located within State lands. (To be expended by the County of Kauai.)		

SECTION 2. The Comptroller, as Director of the Department of Accounting and General Services, is authorized to delegate to the departments and counties the planning and construction of projects under Section 1 when it is determined by him that it is more advantageous to do so.

SECTION 3. The appropriations and authorizations in Section 1 include land purchase, plans, site preparation, improvements to land, construction, and necessary equipment.

SECTION 4. All general funds and general obligation bond funds used for any federal aid highway project, land development project or airport project shall have the bond principal and interest and general fund advances reimbursed from the Highway Special Fund, the Land Revolving Fund, or the Airport Special Fund, respectively. All general funds or general obligation bond funds used for Sand Island Development shall have the principal and interest reimbursed from the income derived from Sand Island by the University of Hawaii. Bonds issued for irrigation projects shall be reimbursed

as provided by Section 86-21 of the Revised Laws of Hawaii 1955, as amended.

SECTION 5. The Governor, upon recommendation of the Director of the Department of Planning and Research and the Director of the Department of Budget and Review, shall determine when the authorized projects shall be initiated, taking into consideration the factors of public need, general financial condition of the state general fund and bond fund, and the general economic conditions. The Governor shall have authority to defer projects for reconsideration by the ensuing legislature whenever it is determined (1) that the amount appropriated is insufficient to accomplish the purpose for which the appropriation is made, and (2) that the fiscal condition does not warrant expenditure of the appropriated funds. Such deferment shall be reported to the next legislature at least 20 days prior to its convening and shall be accompanied with the reason or reasons therefor.

SECTION 6. In case the amount specified in any item in Section 1 shall not be wholly required to complete the work of such item or after it is definitely found by the expending officer that not more than a specified amount will be required to complete said work, such unrequired amounts may be expended for any other item in the same county in Section 1 with the approval of the Governor, upon recommendations of the Director of the Department of Planning and Research and the Director of the Department of Budget and Review; provided, that in the case of special funds, the funds may be only transferred to other special fund projects in accordance with the laws or covenants applicable thereto. Transfers or anticipated lapsing of funds under Section 1 shall be reported to the next legislature at least 20 days prior to its convening and shall be accompanied with the reason or reasons therefor.

SECTION 7. The purchase of land and the construction of buildings by State agencies shall be subject to the approval of the Governor upon recommendation of the Director of Planning and Research as to what lands shall be utilized or purchased, and as to use and exterior architectural design of the authorized structure, unless otherwise specified.

SECTION 8. In the event that no funds are allotted by the Governor for any project in Section 1 during the annual period ending June 30, 1963, appropriations for such projects shall lapse as of June 30, 1963. Unallotted balances of appropriations shall likewise lapse as of June 30, 1963. Authorizations to issue general obligation bonds for projects financed from general obligation bonds shall lapse as of June 30, 1963, for projects which have not received an allotment or which have an unallotted balance. The above lapsing provisions shall apply to all projects unless otherwise specified in the subsection.

SECTION 9. Where the Governor or any agency of any government unit is able to secure federal funds made available under any Act of Congress, to be expended in connection with or for the planning and/or construction of any of the projects or works authorized by this Act, the Governor or agency shall have the power to enter into such undertaking with the proper offices or agencies of the Federal government. Such undertakings shall be reported to the next legislature not later than 20 days prior to its convening.

SECTION 10. The Governor shall accelerate the construction of projects in areas where unemployment is deemed critical. The accelerated construction projects shall be related to the types of workers that are unemployed and preference shall be given to unemployed persons, who are unemployed at the

time the project is undertaken, if the capabilities of such persons meet the requirements for the project. This provision shall apply whether the project is carried out by contract or by labor forces of the expending agency if additional persons are employed.

SECTION 11. All school buildings erected and all land purchased for school purposes under any item in this Act shall be subject to the approval of the Department of Education as to location of the land purchased and the size, arrangement, dimensions and lighting of rooms, and sanitary facilities for the buildings erected.

SECTION 12. If any portion of this Act or its application to any person or circumstance is held to be invalid for any reason, then the legislature hereby declares that the remainder of this Act and each and every other provision thereof shall not be affected hereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and such remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 13. This Act shall, upon its passage by a two-thirds vote of all the members to which each house of the legislature is entitled, and when approved in the manner provided by the Constitution of the State, take effect on July 1, 1962.

(Approved May 29, 1962.) S.B. 1.

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ACT 31

An Act Making Appropriations Out of the General Revenues and Approving Expenditures from Other Sources for the Fiscal Period Ending June 30, 1963.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The following sums, or so much thereof as shall be sufficient to accomplish the purpose or programs of the agencies designated herein, are hereby appropriated out of moneys in the treasury from general revenues and the expenditures from other sources of revenues designated herein are hereby approved for the fiscal period beginning July 1, 1962 and ending June 30, 1963:

**DEVELOPMENT AND NATURAL RESOURCES**

AGRICULTURE, DEPARTMENT OF.....	(177)	2,581,086
General Administration		
Net Appropriation.....	154,535(18)	
Planning and Research		
Net Appropriation.....	26,837(1)	
Marketing and Economics		
Administration.....	15,849(2)	
Marketing and Inspection.....	163,211(22.62)	
Crop and Livestock		
Reporting Service.....	78,938(10)	
Market News Service.....	24,833(3)	
Net Appropriation.....	282,831(37.62)	



Animal Industry

Administration.....	36,607(5)
Livestock Disease Control.....	111,272(7)
Veterinary Laboratory.....	70,584(9)
Inspection and Quarantine.....	165,379(24)
Meat Inspection.....	177,580(22)
Meat Grading Service.....	17,500
Naalehu Disease Control.....	16,243(1)
Total Requirements.....	595,165(68)
Less Estimated:	
Federal Funds.....	16,243(1)
Special Funds.....	7,000
Net Appropriation.....	571,922(67)

Farm Loan

Total Requirements.....	1,681,586(5)
Less Estimated:	
Farm Loan Reserve Fund.....	54,786(5)
Farm Loan Revolving Fund.....	476,800
Net Appropriation.....	1,150,000

Plant Industry

Administration.....	45,379(7)
Plant Quarantine and Inspection.....	178,247(27.75)
Pest Control.....	121,773(14)
Seed, Weed and Herbicide.....	46,962(4.63)
Hawaii Soil Conservation.....	2,600
Net Appropriation.....	394,961(53.38)

Provided, that in the livestock disease control program, the sum of \$15,400 shall be used for fee for services for the swine disease control program.

ECONOMIC DEVELOPMENT, DEPARTMENT OF.....

(15)  
1,489,740

Economic Development Service

Net Appropriation.....	152,240(15)
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Tourism Promotion

Net Appropriation.....	1,230,000
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Product Promotion

Net Appropriation.....	30,000
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Neighbor Island Economic Development

Net Appropriation.....	77,500
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Provided, that in the tourism promotion program, the department, with the aid of the county advisory committees, shall contract for tourism promotion with the Hawaii Visitors Bureau on a matching ratio of two of state funds to one of Hawaii Visitors Bureau privately donated contribution received during the calendar year 1961; provided further, that the state funds shall not be expended for the cost of administration of the Hawaii Visitors Bureau; provided further, that \$25,000 shall be used for tourism promotion in the Far East; and provided further, that the department may use the balance of the appropriation for tourism promotion either by contracting further with the Hawaii Visitors Bureau or by contracting directly with other firms, agencies or organizations.

Provided further, that in the neighbor island economic development program, the sum of \$25,000 shall on July 1, 1962 be transferred to each of the county economic development organizations. Provided further, that an additional sum of \$2,500 shall on July 1, 1962 be transferred to the economic development organization of Kauai to be matched by an equivalent amount for the promotion of the Kapaa Industrial Park.

LAND AND NATURAL RESOURCES,  
DEPARTMENT OF.....

(241.25)  
2,331,075

Departmental Administration

Net Appropriation.....	173,775(21)
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Conveyances

Net Appropriation.....	246,412(40)
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Fish and Game	
Administration.....	46,466(7)
Fisheries, Research and Management.....	142,688(18)
Enforcement.....	134,423(18)
Wildlife, Research and Management.....	150,644(19)
Tuna Netting Experiment.....	15,000
Total Requirements.....	489,221(62)
Less Estimated:	
Appropriated Receipts.....	63,650(4.5)
Federal Funds.....	164,420(24.25)
Net Appropriation.....	261,151(33.25)
Forestry	
Administration.....	37,017(3)
Research.....	95,816(2)
Forestry Management.....	640,407(61.5)
Total Requirements.....	773,240(66.5)
Less Estimated:	
Federal Funds.....	49,190
Net Appropriation.....	724,050(66.5)
Land Management	
Net Appropriation.....	239,700(26.5)
State Parks	
Net Appropriation.....	207,902(37)
Water and Land Development	
Administration	
Net Appropriation.....	48,008(6)
Flood Control	
Net Appropriation.....	28,238(3)
Water Resources Survey	
Total Requirements.....	520,093(5)
Less Estimated:	
Federal Fund—Hydrography.....	199,838
Special Fund—Hydrography.....	6,900
Net Appropriation.....	313,355(5)
Project Development	
Net Appropriation.....	30,647(3)
Supplementation to Irrigation Revolving Fund	
Waimanalo Irrigation System.....	73,180(9)
Waimea Irrigation System.....	25,907(4)
Total Requirements.....	99,087(13)
Less Estimated:	
Special Funds.....	41,250(13)
Net Appropriation.....	57,837

Provided, that the sum of \$15,000 appropriated for the tuna netting experiment shall be increased or reduced so that the total amount for the project including Federal funds shall not exceed \$35,000.

Provided further, that in the forestry management program, the sum of \$243,630 shall be used for temporary help, student help or contract services to plant 2,800 acres of trees on all islands as provided for in the 1960-1961 allocation.

Provided further, that the appropriation supplementing the irrigation system revolving fund shall be reduced to the extent that the actual receipts of this special fund shall exceed the estimated sum of \$41,250 for the fiscal year 1962-1963.

#### PLANNING AND RESEARCH, DEPARTMENT OF

Planning and Research	(17)
Total Requirements.....	208,307
Less Estimated:	
Federal Funds:	
Grants—Urban Planning.....	43,270
Shoreline Study.....	65,000
Net Appropriation.....	164,188(17)

<b>Land Use Commission</b>	
Total Requirements.....	76,619
Less Estimated:	
Federal Fund—Grant for Urban Development.....	32,500
Net Appropriation.....	44,119

(11)  
180,363

**TRANSPORTATION, DEPARTMENT OF.....**

<b>General Administration</b>	
Total Requirements.....	723,272(69)
Less Estimated:	
Special Funds.....	723,272(69)
Net Appropriation.....	.....
<b>Airport</b>	
Administration.....	1,579,700(10)
Operations and Maintenance.....	1,793,100(179)
Total Requirements.....	3,372,800(189)
Less Estimated:	
Special Funds.....	3,372,800(189)
Net Appropriation.....	.....
<b>Harbors</b>	
Administration.....	1,106,339(9)
Operations and Maintenance.....	1,254,162(112)
Small Boat Harbor.....	147,019(6)
Drawbridge Operation.....	33,344(5)
Total Requirements.....	2,540,864(132)
Less Estimated:	
Special Funds.....	2,360,501(121)
Net Appropriation.....	180,363(11)
<b>Highways</b>	
Administration.....	4,349,418(72)
Operations and Maintenance.....	3,011,222(327)
Total Requirements.....	7,360,640(399)
Less Estimated:	
Special Funds.....	7,360,640(399)
Net Appropriation.....	.....

Provided, that in the airports operations and maintenance program, the sum of \$161,000 shall be used for the rehabilitation of runways and taxiways at the Honolulu Airport. Provided further, that in the airports operations and maintenance program, the sum of \$125,000 and in the harbors operations and maintenance program the sum of \$50,000 shall be used by the Director of Transportation primarily for visitor satisfaction and hospitality functions at the airport and harbor terminals, respectively, to accommodate all arriving and departing passengers.

**EDUCATION**

(6811.54)  
40,097,695

**EDUCATION, DEPARTMENT OF.....**

<b>Administration</b>	
State.....	715,598(85)
District.....	153,963(22)
Total Requirements.....	869,561(107)
Less Estimated:	
Special Funds.....	34,190(5)
Federal Fund—Public Law 864.....	44,710
Net Appropriation.....	790,661(102)
<b>Supervision of Curriculum, Instruction and Guidance</b>	
General Direction.....	24,850(2)
General School Subjects.....	428,965(43)
Vocational, Post-High School and Adult Education.....	258,899(24)
Guidance, Health and Special Education.....	272,995(27)
Instructional Aids.....	148,243(18)
High School Accreditation and Private School Licensing.....	14,237(1)
Total Requirements.....	1,148,189(115)

Less Estimated:	
Federal Funds:	
Vocational Education Fund.....	29,667(3)
Public Law 864.....	20,000
Civil Defense.....	25,700(2)
Net Appropriation.....	1,072,822(110)
Instruction and School Services	
Kindergarten.....	2,498,010(457)
Elementary.....	18,369,049(2983.5)
Secondary.....	15,847,680(2412)
Lahainaluna Boarding Department and School Farm....	113,150(5)
Diamond Head School.....	247,965(42)
Institutional Schools.....	243,102(37)
Hospital Schools.....	79,284(7)
Post-High Schools.....	1,087,381(119)
Adult Education.....	284,085(14)
Total Requirements.....	38,769,706(6076.5)
Less Estimated:	
Special Funds.....	136,000(2)
Federal Funds:	
Vocational Education Fund.....	155,333(10)
Public Law 864.....	179,508
Public Law 874.....	4,000,000
Veterans Administration.....	6,300(1)
Civil Defense.....	15,000
Net Appropriation.....	34,277,565(6063.5)
Other Programs	
School Lunch Service.....	8,672,523(771)
Teacher Training.....	255,692(43)
Leadership Training.....	31,560
Total Requirements.....	8,959,775(814)
Less Estimated:	
Special Funds.....	6,290,482(570)
Federal Funds:	
National School Lunch.....	330,000
Special Milk Program.....	140,000
Net Appropriation.....	2,199,293(244)
Public Library Service	
Administration.....	23,000(2)
Library of Hawaii.....	1,036,280(179.5)
Hawaii County Library.....	177,675(29.15)
Maui County Library.....	199,486(29.6)
Kauai County Library.....	135,068(23.94)
Total Requirements.....	1,571,509(264.19)
Less Estimated:	
Federal Funds.....	55,533(8.25)
Net Appropriation.....	1,515,976(255.94)
Vocational Rehabilitation Service	
Vocational Rehabilitation.....	442,641(34.1)
Disability Determinations.....	64,427(6.15)
Independent Living.....	193,601(3)
Total Requirements.....	700,669(43.25)
Less Estimated:	
Federal Funds.....	459,291(7.15)
Net Appropriation.....	241,378(36.1)

Provided, that in the state administration program, the sum of \$10,000 has been appropriated for the expenses of the four county advisory councils which shall be administered by the Board of Education.

Provided further, that in the elementary education program the 12 clerical positions, and in the secondary education program the 27 clerical positions, shall not be eliminated until the organization as recommended by Booz, Allen & Hamilton shall be implemented by the department and reviewed by the 1963 session of the legislature.

Provided further, that in the secondary education program, the sum of \$25,000 shall be used for lay readers.

Provided further, that in the vocational, post-high and adult education program, the sum of \$4,188 shall be used for part-time secretarial help on all islands.

Provided further, that of the funds appropriated for instruction in citizenship and basic English in the adult education program, the Department of Education may use a sum not to exceed \$4,000 for the purchase of equipment for the instruction in citizenship and basic English activity.

Provided further, that in the vocational post-high and adult education program, the department is authorized to hire no more than ten technical school teachers in excess of the position ceiling if the enrollment increase is such that the present level of services would be curtailed unless additional teachers were employed.

Provided further, that in the school lunch service program, 50 cafeteria helper positions have been authorized if the Board of Education decides to raise the school lunch price for adults to fifty cents or to such price where the 50 positions may be financed.

Provided further, that if a sum less than \$4,000,000 is provided by Congress under the provisions of Public Law 874, then the difference between \$4,000,000 and the sum so provided is hereby appropriated; and provided further, that if a sum greater than \$4,000,000 is provided then this appropriation shall be reduced to the extent the estimated sum of \$4,000,000 is exceeded for the fiscal year 1962-1963.

Provided further, that if a sum less than \$244,218 is provided by Congress under the provisions of Public Law 864, then the difference between \$244,218 and the sum so provided is hereby appropriated; and provided further, that if a sum greater than \$244,218 is provided then this appropriation shall be reduced to the extent the estimated sum of \$244,218 is exceeded for the fiscal year 1962-1963.

UNIVERSITY OF HAWAII.....	(1443.48)
	12,208,271
Administration	
Total Requirements.....	895,149(86.62)
Less Estimated:	
Federal Funds.....	78,382(3)
East-West Direct Support.....	14,792(2)
Net Appropriation.....	801,975(81.62)
Student Services	
Student Personnel.....	385,729(51)
Health Services.....	70,931(6)
Intercollegiate Athletics.....	4,697(.5)
Total Requirements.....	461,357(57.5)
Less Estimated:	
East-West Direct Support.....	65,076(8)
Net Appropriation.....	396,281(49.5)
Instruction and Research	
Total Requirements.....	9,009,265(1061.78)
Less Estimated:	
Special Funds.....	75,065(1)
Federal Funds.....	766,012(78.58)
East-West Direct Support.....	194,474(17.5)
Net Appropriation.....	7,973,714(964.7)
Summer Session	
Total Requirements.....	484,355(4.25)
Less Estimated:	
Special Funds.....	484,355(4.25)
Net Appropriation.....	.....
East-West Center	
Total Requirements.....	886,050(46.5)
Less Estimated:	
Federal Funds.....	78,508
East-West Direct Support.....	807,542(46.5)
Net Appropriation.....	.....
Hilo Campus	
Net Appropriation.....	296,640(36)

General Studies	
Total Requirements.....	426,871(17.5)
Less Estimated :	
Special Funds.....	351,432(8)
Net Appropriation.....	75,439(9.5)
Organized Research	
Computing and Statistical Center.....	33,480(3)
Economic Research Center.....	80,875(7)
Faculty Research Committee.....	24,806(.5)
Hawaii Institute of Geophysics.....	194,662(11.5)
Hawaii Marine Laboratory.....	39,367(3.5)
Hawaii Institute of Health Research.....	85,766(6.66)
Land Study Bureau.....	125,456(12)
Social Science Research Institute.....	27,810(3.5)
Special Research Contracts.....	245,550
Total Requirements.....	857,772(47.66)
Less Estimated :	
Special Funds.....	40,000
Federal Funds.....	205,550
Net Appropriation.....	612,222(47.66)
Library	
Total Requirements.....	920,291(86.25)
Less Estimated :	
East-West Direct Support.....	341,818(23)
Net Appropriation.....	578,473(63.25)
Aquarium	
Net Appropriation.....	85,945(11.75)
Legislative Reference Bureau	
Net Appropriation.....	159,148(14.5)
Operations and Maintenance of Physical Plant	
Administration.....	155,705(4)
Building Maintenance and Shop.....	388,006(10)
Campus Security and Janitorial Services.....	469,255(108)
Construction and Trucking.....	79,282(16)
Grounds Maintenance.....	119,961(23)
Service, Receiving and Warehousing.....	16,225(4)
Net Appropriation.....	1,228,434(165)
Income from Morrill Act Grant	
Total Requirements.....	230,732
Less Estimated :	
Trust Funds.....	230,732
Net Appropriation.....	.....
Sand Island Income	
Total Requirements.....	598,000
Less Estimated :	
Trust Funds.....	598,000
Net Appropriation.....	.....

Provided, that the additional positions granted to the Hilo campus shall be utilized to strengthen the present two-year program.

Provided further, that the appropriation for the East Hawaii Branch Station in the College of Tropical Agriculture includes four (4) positions to be used for the Hamakua Experimental Farm.

Provided further, that the sum of \$100,000 shall be used to establish field stations and not a branch station at Waimea; and provided further, that the professional staff for the Waimea field station shall operate out of the Hilo campus.

Provided further, that in the instruction and research program, the sum of \$32,000 has been provided to establish a demonstration farm in the Haiku, Maui, and Kona, Hawaii, areas by obtaining the services of well qualified farmers located in those areas.

Provided further, that the amount of the appropriation necessary to match allotments made by the United States Government for agricultural extension service and agricultural experiment station operations shall be payable to the University of Hawaii in total, by single warrant, or by several warrants, representing periodical allotments, but only if this is a necessary condition for receiving such federal allotments. Such disburse-

ments matching the allotments may be regularly audited by the federal auditor and shall be subject to the same limitations as the character of expenditures of the federal funds which they offset.

Any other law to the contrary notwithstanding, no portion of the funds appropriated by this Act for the University of Hawaii, or collected or received by the University from its students or from the United States, or of any other funds under the control of its Board of Regents, shall be expendable for the reimbursement to the state for the amount payable by the state to cover the liability of the state to the various funds of the Employees' Retirement System or account of the employees of the University, nor shall any law providing for such reimbursement be deemed applicable to the University, except that this exemption shall not apply to auxiliary enterprise funds and other funds which have not been netted in deriving the net appropriation of the University.

**HEALTH, PROTECTIVE AND SOCIAL SERVICES**

	(107)
DEFENSE, DEPARTMENT OF.....	841,087
Civil Defense	
Total Requirements.....	248,009(16)
Less Estimated:	
Appropriated Receipts.....	120,684(8)
Net Appropriation.....	127,325(8)
Command and Administration	
Net Appropriation.....	318,275(37)
Maintenance and Operations	
Total Requirements.....	447,487(62)
Less Estimated:	
Appropriated Receipts.....	52,000
Net Appropriation.....	395,487(62)

Provided, that in the command and administration program, the sum of \$6,000 shall be used to establish an officers' candidate school.

Provided further, that if the Hawaii National Guard and the Hawaii Air National Guard shall be called or ordered into the service of the United States, the foregoing appropriations or any part thereof remaining unexpended shall be available to the Hawaii State Guard. If only a part of the Hawaii National Guard or the Hawaii Air National Guard should be called or ordered into the service of the United States, the Adjutant General with the approval of the Director of the Department of Budget and Review shall allocate the foregoing appropriations or any part thereof remaining unexpended between the Hawaii State Guard and the Hawaii National Guard.

	(1422.6)
HEALTH, DEPARTMENT OF.....	8,878,831
General Administration	
Departmental Administration.....	324,401(41)
Health Education.....	64,743(9)
Research, Planning and Statistics.....	127,337(19)
Total Requirements.....	516,481(69)
Less Estimated:	
Appropriated Receipts.....	51,871(8)
Net Appropriation.....	464,610(61)
Communicable Disease	
Administration.....	44,757(5)
Epidemiology.....	44,816(4)
Hansen's Disease:	
Outpatient and Special Services.....	56,336(7)
Hale Mohalu Hospital.....	402,317(46)
Kalaupapa Settlement.....	791,115(62)
Kalaupapa Store.....	128,400
Poliomyelitis Immunization.....	5,000
Tuberculosis Control.....	183,764(23)
Total Requirements.....	1,656,505(147)
Less Estimated:	
Appropriated Receipts.....	1,214,701(3)
Special Funds.....	129,900
Net Appropriation.....	311,904(144)

Provided, that if a sum less than \$1,200,000 is provided by Congress for the Hansen's Disease program, then the difference between \$1,200,000 and the sum so provided is hereby appropriated; and provided further, that if a sum greater than \$1,200,000 is so provided, then the amount of the net general appropriation shall be reduced to the extent that the actual realization shall exceed the estimated sum of \$1,200,000 for the fiscal year 1962-1963.

Provided, that in the poliomyelitis immunization program, the appropriation shall be first used for the indigent and medically indigent and shall then be used in a voluntary polio immunization program for all children throughout the State who are 18 years of age and under.

Dental Health	
Total Requirements.....	264,839(47.6)
Less Estimated:	
Appropriated Receipts.....	800
Net Appropriation.....	264,039(47.6)
District Health Offices	
Total Requirements.....	186,431(35.5)
Less Estimated:	
Appropriated Receipts.....	36,612(8)
Net Appropriation.....	149,819(27.5)
Environmental Health	
Administration.....	83,129(7)
Food and Drug.....	54,573(8)
Health Engineering.....	131,709(16)
<u>Sanitation</u> .....	358,287(55)
Vector Control—Mosquito and Rodent.....	446,387(71)
Total Requirements.....	1,074,085(157)
Less Estimated:	
Appropriated Receipts.....	41,478(3)
Special Funds.....	11,480(1)
Net Appropriation.....	1,021,127(153)
Medical Health Services	
Administration.....	22,528(2)
Adult Health.....	98,008(10)
Alcoholism Services.....	39,657(3)
Crippled Children Services.....	334,578(27)
Hospital and Medical Facilities.....	77,903(9)
Maternal and Child Health.....	106,210(8)
Total Requirements.....	678,884(59)
Less Estimated:	
Appropriated Receipts.....	338,559(26.5)
Net Appropriation.....	340,325(32.5)
Mental Health	
Administration.....	75,819(7)
Preventive and Outpatient Services.....	400,693(41)
Convalescent Services.....	90,983(11)
Hawaii State Hospital	
Administration.....	112,169(20)
Care, Treatment and Training.....	1,603,351(292)
Maintenance and Operations.....	290,980(35)
Production.....	77,065(9)
Support and Subsistence.....	770,127(68)
Total Requirements.....	3,421,187(483)
Less Estimated:	
Appropriated Receipts.....	47,390(5)
Net Appropriation.....	3,373,797(478)

Provided, that the appropriations for the Hawaii State Hospital are intended for an average daily inpatient population of 1,200 at said State Hospital.

Mental Retardation	
Administration.....	69,415(10)
Community Services.....	121,728(17)



Waimano Training School and Hospital :	
Medical and Hospital Services.....	517,564(109)
Social Services and Parole.....	67,333(11)
Training.....	78,899(13)
Institution Facilities Administration.....	32,911(2)
Cottage Life.....	536,791(128)
Food Service.....	262,726(23)
Maintenance and Production.....	446,402(37)
Sewing Services.....	33,186(2)
Total Requirements.....	2,166,955(352)
Less Estimated:	
Appropriated Receipts.....	40,928(4.5)
Net Appropriation.....	2,126,027(347.5)

Provided, that this appropriation is intended for an average daily ward population of 860 at Waimano Training School and Hospital.

Special Health Services	
Administration.....	21,209(2)
Laboratory Services.....	219,437(31.5)
<u>Nutrition</u> .....	28,206(4)
Public Health Nursing.....	610,428(103)
Total Requirements.....	879,280(140.5)
Less Estimated:	
Appropriated Receipts.....	52,097(9)
Net Appropriation.....	827,183(131.5)
Research Projects	
Total Requirements.....	87,942(16)
Less Estimated:	
Appropriated Receipts.....	75,942(14)
Special Funds.....	12,000(2)
Net Appropriation.....	.....

**JUDICIAL BRANCH**.....

(286.5)  
2,444,081

Supreme Court	
Supreme Court Proper.....	206,674(18)
Administrative Director.....	37,805(3)
Supreme Court Library.....	34,458(4)
Publication of Hawaii Reports.....	13,000
Bar Examination.....	700
District Court of Kalawao.....	2,520(1)
Revisor of Statutes.....	50,290(4)
Total Requirements.....	345,447(30)
Less Estimated:	
Special Funds.....	700
Net Appropriation.....	344,747(30)
Land Court	
Net Appropriation.....	33,721(3)
First Circuit Court	
First Circuit Court Proper.....	694,433(73)
Adult Probation.....	102,044(16)
Juvenile Court.....	443,766(61)
Juvenile Detention Home.....	178,294(30)
Net Appropriation.....	1,418,537(180)
Second Circuit Court	
Second Circuit Court Proper.....	107,528(11)
Juvenile Operations.....	119,850(17.5)
Net Appropriation.....	227,378(28.5)
Third Circuit Court	
Net Appropriation.....	285,404(31)
Fifth Circuit Court	
Fifth Circuit Court Proper.....	90,519(9)
Probation Operations.....	43,775(5)
Net Appropriation.....	134,294(14)

LABOR AND INDUSTRIAL RELATIONS, DEPARTMENT OF.....		(70.3) 529,390
Administration		
Net Appropriation.....	157,544(19.3)	
Apprenticeship		
Net Appropriation.....	36,054(5)	
Labor Law Enforcement		
Net Appropriation.....	122,025(18)	
Workmen's Compensation		
Total Requirements.....	105,430(12)	
Less Estimated :		
Special Funds.....	13,500	
Net Appropriation.....	91,930(12)	
Industrial Safety		
Total Requirements.....	108,484(15)	
Less Estimated :		
Special Funds.....	2,500	
Net Appropriation.....	105,984(15)	
Hawaii Employment Relations Board		
Net Appropriation.....	15,853(1)	
		(594.6)
SOCIAL SERVICES, DEPARTMENT OF.....		9,132,022
Departmental Administration		
Total Requirements.....	310,459(46)	
Less Estimated :		
Federal Funds.....	93,002	
Net Appropriation.....	217,457(46)	
Social Welfare Services		
Social Welfare		
Total Requirements.....	1,280,780(211.6)	
Less Estimated :		
Federal Funds.....	419,014(10)	
Net Appropriation.....	861,766(201.6)	
Sight Conservation		
Total Requirements.....	319,271(41)	
Less Estimated :		
Federal Funds.....	10,532	
Special Funds.....	85,000	
Net Appropriation.....	223,739(41)	
Parole and Home Placement		
Net Appropriation.....	59,034(8)	
Veterans' Affairs		
Net Appropriation.....	31,638(5)	
Economic Assistance		
Payments to Indigents and Medically Indigent		
Aged Persons.....	1,061,280	
Children and Their Families.....	4,336,320	
Children in Foster Homes and Institutions.....	508,200	
Blind Persons.....	64,350	
Disabled Persons.....	1,532,160	
Other Needy Adults.....	243,390	
Medical Assistance for the Aged.....	921,721	
Other Indigents and Medically Indigent.....	811,064	
Government Physicians.....	165,000	
Ambulance Service.....	11,856	
Total Requirements.....	9,655,341	
Less Estimated :		
Federal Funds.....	4,303,613	
Net Appropriation.....	5,351,728	
Payments for Vocational Rehabilitation of the		
Visually Handicapped		
Total Requirements.....	40,500	
Less Estimated :		
Federal Funds.....	19,500	
Special Funds.....	8,000	
Net Appropriation.....	13,000	

Payments for Paraplegic Veterans  
 Net Appropriation..... 20,000

Provided, that in the event that the U.S. Congress does not extend Federal support for aid to dependent children of unemployed parents during fiscal year 1962-1963, then the general appropriation applicable to Children and their Families shall be increased by \$180,000.

Provided further, that the appropriations for payments for indigents and the medically indigent are intended for average monthly caseloads of: Aged Persons—1,320 cases, Children and Their Families—2,600 cases, Children in Foster Homes and Institutions—560 cases, Blind Persons—75 cases, Disabled Persons—1,595 cases, Other Needy Adults—305 cases and Medical Assistance to Aged—255 cases.

Corrections Administrative Services..... 20,509(2)  
 Detention and Rehabilitation of Juvenile Offenders  
     Administration..... 47,232(7)  
     Support and Subsistence..... 60,193(2)  
     Care, Treatment and Training..... 397,864(78)  
     Maintenance and Operations..... 106,798(9)  
     Net Appropriation..... 632,596(98)

Provided, that this appropriation is intended for an average daily ward population of 185 children.

Custody and Rehabilitation of Felons

Oahu Prison  
     Administration..... 34,348(4)  
     Support and Subsistence..... 277,606(5)  
     Care, Treatment and Training..... 568,871(100)  
     Maintenance and Operations..... 120,502(9)  
     Production..... 96,670(5)  
     Total Requirements..... 1,097,997(123)  
     Less Estimated:  
         Special Funds..... 37,952  
     Net Appropriation..... 1,060,045(123)

Kulani Project  
     Administration..... 21,571(3)  
     Support and Subsistence..... 64,868(1)  
     Care, Treatment and Training..... 130,450(22)  
     Maintenance and Operations..... 131,357(8)  
     Production..... 37,932(4)  
     Construction and Reconstruction of Prison Facilities..... 56,812  
     Total Requirements..... 442,990(38)  
     Less Estimated:  
         Special Funds..... 56,812  
     Net Appropriation..... 386,178(38)

Olinda Project  
     Administration..... 15,805(3)  
     Support and Subsistence..... 32,942(1)  
     Care, Treatment and Training..... 57,681(10)  
     Maintenance and Operations..... 23,173(1)  
     Production..... 21,272(3)  
     Gorse Control..... 12,992  
     Net Appropriation..... 163,865(18)

Provided, that the appropriation for the various prisons is intended for an average daily inmate population of 615 in the Prison System.

Parole and Pardon of Felons  
 Net Appropriation..... 110,976(16)

Public Housing  
     Total Requirements..... 2,926,113(192)  
     Less Estimated:  
         Special Funds..... 2,926,113(192)  
     Net Appropriation.....

Provided, that in the social welfare services program, the sum of \$5,800 shall be used for scholarships which shall be available to any qualified applicant statewide.

**FINANCE, COMMERCE AND STAFF DEPARTMENTS**

ACCOUNTING AND GENERAL SERVICES, DEPARTMENT OF.....	(280) 2,530,056
Departmental Administration	
Net Appropriation.....	96,756(11)
Insurance Management Program	
Administration.....	2,000
Commercial Insurance Purchase of Auto Fleet Coverage	63,500
State Insurance Fund	
Workmen's Compensation.....	150,000
Fire and Other Casualties.....	145,000
Total Requirements.....	360,500
Less Estimated:	
Special and Federal Funds.....	23,500
Net Appropriation.....	337,000
Internal Post-Audit	
Net Appropriation.....	136,848(12)
Division of Accounting and Data Processing	
Accounting.....	49,438(6)
Pre-Audit.....	85,242(10)
Data Processing.....	207,900(14)
Net Appropriation.....	342,580(30)
Public Archives Division	
Records Service.....	67,536(12.75)
Records Management.....	44,996(7.25)
Total Requirements.....	112,532(20)
Less Estimated:	
Special Funds.....	500
Net Appropriation.....	112,032(20)
Division of Central Services	
Central Messenger Service.....	19,015(5)
Maintenance and Operation of Buildings.....	905,371(137)
Repairs and Alterations of Buildings.....	257,013(18)
Total Requirements.....	1,181,399(160)
Less Estimated:	
Special Funds.....	67,044
Net Appropriation.....	1,114,355(160)
Land Surveying	
Net Appropriation.....	227,109(27)
Division of Public Works	
Public Works Administration	
Net Appropriation.....	94,775(13)
Division of Purchasing and Supply	
Central Purchasing and Supply.....	40,167(6)
Inventory Management.....	7,894(1)
Federal Surplus Property.....	82,998(10)
State Surplus Property.....	17,710(-)
Total Requirements.....	148,769(17)
Less Estimated:	
Surplus Property Revolving Fund.....	82,998(10)
Receipts from Sale of Equipment.....	17,710(-)
Net Appropriation.....	48,061(7)
Kamehameha Day Celebration Commission	
Celebration Expenses	
City and County of Honolulu.....	8,000
Hawaii County.....	4,750
Kauai County.....	2,095
Maui County, Including Kalaupapa.....	2,695
Salary—Kamehameha Day Historian.....	3,000
Net Appropriation.....	20,540

Provided, that in the internal and post-audit program, the sum of \$25,000 shall be used to contract for certified public accountants' services for audits.

Provided further, that for the architectural and engineering services in the public works program, the position ceiling shall be 72.

Provided further, that in the Kamehameha Day celebration commission program, the sum of \$3,000 shall be used to contract for the services of a moololo keia no Hawaii (historian) to advise the commission in Hawaiian lore and custom that such may be preserved and practiced in the various activities of the Kamehameha Day celebrations; and provided further, that such moololo keia no Hawaii (historian) shall be a female of Hawaiian extraction, over 80 years of age, with actual personal acquaintance with the Kamehameha and Kalakaua dynasties, protocol of traditions, customs and usage as they were practiced before the annexation of Hawaii, of the political history and personalities of Hawaii since 1900, and who shall be an authority of the hula and other Hawaiian dances, songs and other forms of the culture of Hawaii.

ATTORNEY GENERAL, DEPARTMENT OF.....	(40)
	510,670
Attorney General's Office Proper.....	488,807(48)
Litigations.....	120,000
Total Requirements.....	608,807(48)
Less Estimated:	
Special Funds.....	145,200(15)
Net Appropriation.....	463,607(33)
Bureau of Crime Statistics	
Net Appropriation.....	5,610(1)
Bureau of Civil Identification	
Net Appropriation.....	21,207(3)
Commission on Subversive Activities	
Net Appropriation.....	20,246(3)

Provided, that the sum of \$1,500 has been appropriated to cover judgment costs entered against the State in the following case: Civil No. 7272, First Judicial Circuit, State of Hawaii, Judy Lynn Carver vs. State of Hawaii, judgment entered March 16, 1962.

BUDGET AND REVIEW, DEPARTMENT OF.....	(72)
	22,516,783
Departmental Administration	
Net Appropriation.....	73,051(9)
Budget Division	
Budget.....	182,020(20)
Bonus to Pensioners.....	2,118,800
Net Appropriation.....	2,300,820(20)
Management Division	
Management Services.....	48,582(5)
Children and Youth.....	13,119(1)
Net Appropriation.....	61,701(6)
Finance Division	
Cash and Debt Management.....	49,900(6)
Public Debt Service.....	44,250
Bonded Debt.....	11,482,155
Veterans' Loans.....	1,841,436(1)
Total Requirements.....	13,417,741(7)
Less Estimated:	
Special Funds.....	1,841,436(1)
Net Appropriation.....	11,576,305(6)
Employees' Retirement System	
Administration.....	180,746(26)
Contributions.....	6,589,607
Pensions.....	47,082
Total Requirements.....	6,817,435(26)
Less Estimated:	
County Pro-rata Share.....	62,538
Net Appropriation.....	6,754,897(26)
Employees' Group Medical and Hospital Care	
Net Appropriation.....	1,750,009(5)

Provided, that in the event that the department has not commenced a data processing study by June 30, 1962, a sum sufficient to accomplish the purpose is authorized but not to exceed \$90,000.

EXECUTIVE.....		(20)
Governor's Office.....		436,223
Total Requirements.....	475,265(14)	
Less Estimated:		
Act 209/51.....	250,000	
Act 21/49.....	10,000	
Net Appropriation.....	215,265(14)	
Washington Place		
Net Appropriation.....	70,958(6)	
Governor's Contingent Fund		
Net Appropriation.....	150,000	

Provided, that the appropriation for the Governor's Office and Washington Place shall be expended, within each, at the discretion of the Governor.

Provided further, that in the Governor's Office, the sum of \$2,215 shall be used by the director of the International Cooperation Center for visiting state guests for which federal funds are not expendable.

Provided further, that expenditures from the Governor's contingency fund may be made with the approval of the Governor for urgent needs for which no specific appropriation is made herein; a detailed accounting of all expenditures shall be submitted to the legislature on the first day of the next session of the legislature; and provided further, that this fund shall not be used to pay any salaries in the Governor's Office and Washington Place.

LIEUTENANT GOVERNOR, OFFICE OF THE.....		(9)
Lieutenant Governor's Office		323,031
Net Appropriation.....	103,951(9)	
This appropriation shall be expended at the discretion of the Lieutenant Governor.		
Elections Administration		
Net Appropriation.....	219,080	

PERSONNEL SERVICES, DEPARTMENT OF.....		(40)
Personnel Services		351,248
Net Appropriation.....	336,593(40)	
Appeal Board		
Net Appropriation.....	14,655	

Provided, that the sum of \$14,655 appropriated to the Appeal Board includes sufficient funds for professional, technical and clerical assistance by contract.

TAXATION, DEPARTMENT OF.....		(331)
Administration		2,157,072
Net Appropriation.....	260,412(31)	
Real Property Assessment		
Net Appropriation.....	414,128(61)	
Tax Maps		
Net Appropriation.....	116,356(21)	
Excise, Income and Miscellaneous Taxes		
Net Appropriation.....	567,869(94)	
Field Tax Audits		
Net Appropriation.....	289,898(41)	
Collection of Taxes		
Net Appropriation.....	380,924(64)	
Enforcement of Delinquent Taxes		
Net Appropriation.....	117,885(19)	
Tax Appeals		
Board of Review.....	4,750	
Tax Appeal Court.....	4,850	
Net Appropriation.....	9,600	

ACT 31

TREASURY AND REGULATION,		(99.25)
DEPARTMENT OF.....		816,784
Administration		
Net Appropriation.....	76,337(11.25)	
Business Registration		
Net Appropriation.....	32,806(5)	
Bank Examination		
Net Appropriation.....	111,067(14)	
Insurance Division		
Net Appropriation.....	76,676(11)	
Fire Marshal		
Net Appropriation.....	30,265(3)	
Public Utilities Commission		
Net Appropriation.....	201,794(22)	
Regulatory Boards and Commissions		
Net Appropriation.....	35,107	
Professional and Vocational Licensing		
Net Appropriation.....	252,732(33)	

**SUBSIDIES TO COUNTIES AND PRIVATE AGENCIES**

QUASI-PUBLIC INSTITUTIONS—		(666.7)
TUBERCULOSIS HOSPITAL.....		4,045,497
KULA SANATORIUM		
Total Requirements.....	719,643(114)	
Less Estimated:		
Hospital Receipts.....	30,000	
Net Appropriation.....	689,643	

As a supplement to the estimated receipts for the operation and maintenance of the sanatorium in connection with the tuberculosis treatment program; provided, that the appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$30,000 for the fiscal year 1962-1963; and provided further, that the appropriation above is intended for an average daily inpatient population of 70 in the tuberculosis division.

LEAHI HOSPITAL		
Total Requirements.....	2,191,705(355.5)	
Less Estimated:		
Hospital Receipts.....	66,050	
Reimbursements from Trotter Indigent Unit.....	48,000	
Net Appropriation.....	2,077,655(355.5)	

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital in connection with the tuberculosis treatment program and the chronic illness and nursing care program; provided, that the appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$66,050 for the fiscal year 1962-1963. All charges pro-rated to the Trotter indigent unit shall be reimbursed. The appropriation above is intended for an average daily inpatient population of 250 for the tuberculosis program and 80 for the Trotter indigent unit.

Provided, that savings in this appropriation may be, with the approval of the Department of Budget and Review, used to conduct research in the field of tuberculosis control. Provided further, that the sum of \$44,538 has been included within the appropriation to Leahi Hospital to be administered by the managing body for the purpose of adjusting the salaries of employees that would have been affected by Act 188, Session Laws of Hawaii 1961, if such Act applied to such employees.

Provided further, that the sum of \$39,361 has been included within the appropriation to Leahi Hospital for the purpose of increasing the salaries of employees in conformance with the intent and provisions of Senate Bill No. 113 if such bill applied to such employees; provided further, that this appropriation shall become available only upon the enactment of Senate Bill No. 113 into law.\*

\* Enacted as Act 28, above.

<b>HILO HOSPITAL</b>	
Total Requirements.....	733,690(108.2)
Less Estimated:	
Hospital Receipts.....	12,000
Net Appropriation.....	721,690(108.2)

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1962-1963; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$12,000 for the fiscal year 1962-1963; and provided further, that the appropriation above is intended for an average daily inpatient population of 85. Provided, that in the Hilo Hospital appropriation, the sum of \$35,000 shall be used to re-roof the tuberculosis portion of the Hilo Hospital.

<b>SAMUEL MAHELONA MEMORIAL HOSPITAL</b>	
Total Requirements.....	573,509(89)
Less Estimated:	
Hospital Receipts.....	17,000
Net Appropriation.....	556,509(89)

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1962-1963; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$17,000 for the fiscal year 1962-1963; and provided further, that the appropriation above is intended for an average daily inpatient population of 70.

(23)

OTHER SUBSIDIES AND APPROPRIATION..... 565,252

<b>FIREBOAT—CITY AND COUNTY OF HONOLULU</b>	
Net Appropriation.....	137,150(23)
<b>GENERAL HOSPITAL SUBSIDIES CITY AND COUNTY OF HONOLULU</b>	
Net Appropriation.....	121,000
<b>HAWAII COUNTY</b>	
Net Appropriation.....	90,200
<b>MAUI COUNTY</b>	
Islands of Maui and Lanai.....	58,000
Island of Molokai.....	60,000
Net Appropriation.....	118,000
<b>KAUAI COUNTY</b>	
Net Appropriation.....	31,900

Provided, that the moneys designated after each county shall be paid to each respective board of supervisors or city council, as the case may be, which board or city council shall disburse such funds to any county or private hospitals within its jurisdiction as it deems best.

Provided further, that in the case of the city and county of Honolulu the city council shall consider what the county hospital has received in the past. Provided further, that the city council should determine the allotments for other hospitals as it deems best; provided that no rural hospital shall receive less than 10 per cent over the 1959-1960 territorial subsidies.

<b>LUNALILO HOME</b>	
Net Appropriation.....	40,000
<b>VETERANS' CEMETERIES</b>	
Island of Hawaii.....	5,000
Island of Kauai.....	5,000
Island of Maui.....	5,000
Island of Molokai.....	2,500
Net Appropriation.....	17,500
<b>PACIFIC WAR MEMORIAL COMMISSION</b>	
Net Appropriation.....	9,502

SECTION 2. The sum of \$229,401(28.5), or so much thereof as shall be sufficient to accomplish the purpose, is hereby approved for the Hawaiian



Homes Administration Account pursuant to the provisions of Section 213(f), Hawaiian Homes Commission Act of 1920, as amended, from the proceeds of leasing the available lands as defined in Section 204 of said Act.

SECTION 3. The sum of \$383,021 is hereby appropriated to the department of budget and review for the payment of salaries or other compensation to the incumbents of filled general fund surplus positions. The department is hereby authorized to allot from this fund sufficient amounts of money to ensure the payment of compensation of employees; provided, that no funds shall be allotted if the departments or agencies concerned can finance the cost of the positions from savings. All amounts deemed excess for the payment of compensation of surplus positions may be transferred by the Budget Director to the payroll contingent fund created by Section 4 of this Act and may be used for the purposes of that fund.

The department shall report, in detail, all expenditures from this fund to the respective houses of the legislature at least twenty days prior to the next regular session of the legislature.

SECTION 4. (a) The Director of the Department of Budget and Review, in this Act referred to as the "Budget Director", may and he is hereby authorized to cause, for the purpose of conserving state funds, all positions authorized by this Act becoming vacant on or after July 1, 1962 to remain vacant; provided, that such vacancy if continued will not seriously hinder the accomplishment of the program objectives for which the positions were authorized.

(b) There is hereby created, beginning July 1, 1962 in the Department of Budget and Review, a fund to be known as the "Payroll Contingent Fund." The following funds credited to the Payroll Contingent Fund shall be used to reimburse agencies receiving appropriations in this Act for costs resulting from "repricing" actions taken pursuant to Act 188, Session Laws of Hawaii 1961.

There is hereby appropriated out of revenues in the general fund, not otherwise appropriated, the sum of \$500,000 to the Department of Budget and Review to be credited to the Payroll Contingent Fund.

The Payroll Contingent Fund shall also be credited with all moneys appropriated for positions financed out of the general fund becoming and remaining vacant on or after July 1, 1962 pursuant to paragraph (a) and which are not required to meet the cost of reclassification actions, transfer of vacation credits, the payment of accumulated vacation credits, and turn-over savings.

The Budget Director may and he is hereby authorized to reduce appropriations for other current expenses, equipment and motor vehicles, separately or collectively, which are incorporated in the general appropriations made in section 1 of this Act but not in excess of two per cent of such appropriations. Any moneys saved by such reduction shall be credited to the Payroll Contingent Fund.

There is hereby further appropriated to the Department of Budget and Review to be credited to the Payroll Contingent Fund, out of revenues in the general fund, not otherwise appropriated, an amount sufficient to meet the cost of the "repricing" actions of Act 188, Session Laws of Hawaii 1961, which cannot be met from the above appropriation or credits to the Payroll Contingent Fund.

(c) The Budget Director shall, for each special fund, establish appro-

appropriate procedures to effectuate the purposes expressed in the previous paragraphs. He is further authorized to permit, when necessary for such purposes, expenditures from each special fund moneys in excess of the amounts specified for such funds in sections 1 and 2 of this Act.

SECTION 5. There is hereby appropriated out of the public trust fund created by Section 5(f) of the Admission Act (Public Law 86-3, 86th Congress), the total amount of the proceeds from the sale or other disposition of any lands, and the income therefrom, granted to the state by Section 5(b) or later conveyed to the state by Section 5(e), with the exception of such proceeds covered under Section 99-21, RLH 1955, to be disposed of by the board of land and natural resources, in order to reimburse the general fund for the appropriation made in Section 1 of this Act to the department of education for the support of public schools, to the extent such proceeds are realized for the period beginning July 1, 1962 to June 30, 1963. The above proceeds shall be exclusive of the amounts disposed of under the provisions of the Hawaiian Homes Commission Act 1920, as amended.

SECTION 6. For the fiscal year 1962-1963, in the absence of legislative appropriations for special funds as provided under Section 2 of Act 320, SLH 1957, departments and establishments shall be authorized to expend so much as is deemed necessary to carry out the purposes of each special fund, as approved by the Governor, or the director of the department of budget and review if so delegated by the Governor; provided, that such expenditures shall not exceed the monies approved in Section 1 of this Act; and provided further, that the surplus special fund positions shall be controlled and reduced in the same manner as the surplus general fund positions.

SECTION 7. Whenever the functions of a previously existing department, office, or other agency are transferred to any other department by legislation enacted during any session of the legislature which affects the appropriations made by this Act, the Governor, or the department of budget and review if so delegated by the Governor, shall transfer the necessary funds to support such function from the department to which the appropriation was made to the department to which the function has been transferred.

SECTION 8. The designations referring to divisions, bureaus, offices and other subdivisions of departments are used in this Act for convenience only and such use is not intended to create or confirm the existence of such departmental subdivision.

SECTION 9. In allotting funds to the department of health, department of social services, tubercular hospitals, and other departments, commissions, and agencies having appropriations which are based on population and workload data as specified in this Act, only so much as necessary to provide the level of services intended by the legislature shall be allotted by the department of budget and review. For this purpose, the departments and agencies concerned shall reduce expenditures below appropriations as prescribed by the department of budget and review in the event actual population and workload trend is less than the specified figure. In the event that the trend is higher than the specified figure, the department is authorized to submit a deficiency appropriation request to the extent and on such basis as may be prescribed by the director of the department of budget and review.

SECTION 10. Except as otherwise provided, transfer of funds between program appropriations within a department may be made by the head of

the department upon his certification, and approval by the director of the department of budget and review, that appropriation balances are or will be available for such transfers after the program objectives intended by the legislature have been accomplished and that such transfers are necessary to accomplish program objectives authorized by the legislature.

SECTION 11. Where the operation of a department or a program is financed by general appropriation as well as by non-general appropriation funds, the general appropriation portion shall be decreased to the extent that the receipt of non-general appropriation funds approved in this Act are exceeded, provided, however, that such decrease shall not jeopardize the receipt of such increased non-general appropriation funds, and, provided further, that this section shall not apply to any fund if such excess receipts are to be expended for a purpose or purposes approved by the Governor or the director of the department of budget and review if such authority is so delegated by the Governor.

SECTION 12. The maximum number of positions authorized for the state government during the fiscal year 1962-1963 is the sum of the positions enclosed in parenthesis after the appropriation or approved amounts for state programs, provided, that this section shall not apply to any position required to perform a function or service of a temporary or non-recurring character nor shall it apply to the classroom teaching positions in the department of education and the University of Hawaii.

SECTION 13. No funds appropriated in this Act shall be used by a department for the purpose of conducting a study or survey of its management practices or for any other purpose, except as authorized by this Act or any other action of the legislature or by a legislative interim committee.

SECTION 14. There is hereby appropriated out of the revenues in the general fund, not otherwise appropriated, the sum of \$607,304, or so much thereof as may be necessary, to the Department of Budget and Review to pay for the costs of the "repricing" actions taken pursuant to Act 188, Session Laws of Hawaii 1961 and increased retirement costs for public officers and employees of the counties whose compensation is paid from general and special revenues except for the Board of Water Supply of the City and County of Honolulu.

The appropriation made by this section shall be paid into the respective county treasuries and shall be held in special funds and expended solely for the purposes contained in the previous paragraph.

SECTION 15. The equipment and supplies for which appropriations of general fund moneys or authorizations of special fund moneys are made by this Act, may be procured through the Department of Accounting and General Services. The State Comptroller may provide for the centralized purchasing of equipment and supplies to the extent that available funds and personnel permit.

SECTION 16. If any section, subsection, paragraph, sentence, clause, phrase or appropriation contained in this Act is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Act.

SECTION 17. This Act shall take effect from and after July 1, 1962.

(Approved May 29, 1962.) H.B. 2.

**ACT 32**

A Bill for an Act Relating to the Public Lands of the State.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

By virtue of section 15 of the Statehood Act, a serious question exists as to whether or not Hawaii has any land laws relating to the management and disposition of the public lands.

It is of immediate importance to the economy and to the people of Hawaii that we adopt a set of laws for the management and disposition of our public lands in accordance with present day needs.

SECTION 2. The Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding a new chapter to be appropriately numbered and to read as follows:

**“CHAPTER .....**

**PUBLIC LANDS: MANAGEMENT AND DISPOSITION OF**

**PART I. GENERAL PROVISIONS**

**Section -1. Definitions.**

In this chapter, if not inconsistent with the context:

‘Animal unit’ means one mature cow or horse; two yearling steers or heifers; five mature sheep; 12 weaned lambs; two colts;

‘Board’ means the board of land and natural resources as provided in this chapter;

‘Carrying capacity’ means the maximum number of animal units which an area will support over a period of years without injury to the soil, forage resources, tree growth, watershed or unwarranted interference with other services of the land;

‘Department’ means the department of land and natural resources;

‘Director’ means the director of land and natural resources;

‘District’ means the land district as constituted under this chapter;

‘Holder of record having a security interest’ is a person who is the owner or possessor of a security interest in any land covered in section 21 of this chapter and who has filed with the Bureau of Conveyances of the State and with the department a copy of such interest;

‘Land’ includes all interests therein and natural resources including water,

minerals and all such things connected with land, unless otherwise expressly provided;

'Land agent' means the land agent of the public lands of the district where the land is situated;

'Land license' means a privilege granted for the occupation of land for certain special purpose such as the removal of timber, soil, sand, gravel, stone, hapuu and plants, but not including use of water, ground or surface, nor removal of minerals, or removal of sand on Oahu;

'Land Patent' means a government grant of real estate in fee simple;

'Lease' means the right to possess and use land for a term of years;

'Person' includes individual, partnership, corporation and association, except as otherwise defined in this chapter.

#### Section -2. **Description of public lands.**

'Public lands' includes all lands and interest therein in the State classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to such date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or in any other manner, including submerged lands and lands beneath tidal waters which are suitable for reclamation together with reclaimed lands which have been given the status of public lands under this chapter; except: (1) lands designated in section 203 of the Hawaiian Homes Commission Act, 1920, as amended, (2) lands set aside pursuant to law for the use of the United States, (3) lands set aside under the provisions of section 11 of this chapter, (4) lands being used for roads and streets, (5) lands to which the United States relinquished the absolute fee and ownership under section 91 of the Hawaiian Organic Act prior to the admission of Hawaii as a state of the United States unless subsequently placed under the control of the board and given the status of public lands in accordance with the provisions of the State Constitution, the Hawaiian Homes Commission Act, 1920, as amended, or other laws, (6) lands to which the University of Hawaii holds title, and (7) lands to which the Hawaii Housing Authority in its corporate capacity holds title.

#### Section -3. **Department of land and natural resources.**

The department of land and natural resources shall be headed by an executive board to be known as the board of land and natural resources. The department shall manage, administer and exercise control over public lands, the water resources and minerals and all other interests therein and exercise such powers of dispositions thereof as may be authorized by law. The department shall also manage and administer the state parks, historical sites, forest, fish and game reserves of the State, the forest reserve and any other functions assigned to it by law.

The board shall appoint and may remove an executive officer to be known as the director of land and natural resources. He shall receive such salary as the board, with the approval of the governor, may provide, subject to such limits as may be set by law.

Section -4. **Board of land and natural resources; terms and qualifications of members of the board; organization; expenses.** The board of land and natural resources shall be composed of six members, one from each land district and two at large, to be nominated and, by and with the advice and consent of the senate, appointed by the governor as provided in section 14A-3 of the Revised Laws of Hawaii 1955, as amended. The term and removal of a member of the board and the filling of a vacancy on the board

shall also be as provided in said section 14A-3. There shall be not more than three members on the board from the same political party.

Each member shall disclose and file with the board a list of all transactions with the department of land and natural resources in which he has a direct interest. He shall also disclose all transactions with the department involving any corporation, association, partnership or joint venture in which he is an officer, partner or employee. Any member having any interest, direct or indirect, in any matter before the board shall disqualify himself from voting on or participating in the discussion of such matter.

The board shall select a chairman from among its members. The chairman shall call and preside at meetings and may appoint a member of the board as secretary. The members of the board shall choose one of their number to act as chairman during the absence or disability of the chairman.

The members of the board shall serve without pay but shall be entitled to reimbursement for necessary expenses while attending meetings and while in the discharge of their duties.

Section -5. **Meetings, regular, special; quorum.** Regular meetings of the board shall be held not less than once a month and the board shall provide in its rules and regulations the number and dates for such regular meetings. Special meetings may be called by the chairman at any time by giving notice thereof to each member present in the state at least five days prior to the date of such special meeting; provided, however, that notice shall not be required if all members present in the state agree and sign a written waiver of such notice.

However no final action involving disposition of public lands may be had at such special meeting.

Any action taken by the board shall be by a simple majority of the members of the board. Four members of the board shall constitute a quorum to do business. The board shall keep accurate records and minutes of all meetings, special and regular, and they shall be public records. Copies of portions of the agendas relating to dispositions of land shall be made available to the public in the land office of each district at least three days before the meeting at which such matter will be discussed or voted upon.

## POWERS OF THE BOARD

Section -6. **Powers.** Except as otherwise provided by law, the board shall have the powers and functions granted to the heads of departments and the board of land and natural resources under the Hawaii State Government Reorganization Act of 1959.

In addition to the foregoing, the board may :

- (a) adopt a seal;
- (b) administer oaths;
- (c) prescribe forms of instruments and documents;
- (d) promulgate rules and regulations, which rules and regulations, upon compliance with the Hawaii Administrative Procedure Act, shall have the force and effect of law;

(e) set, charge, demand and collect reasonable fees for the preparation of documents to be issued, for the surveying of public lands, and for the issuing of certified copies of its public documents and records, which fees, when collected, shall be deposited into the state general fund, unless otherwise specified in this chapter;

(f) establish additional restrictions, requirements or conditions, not inconsistent with those prescribed in this chapter, relating to the use of particular land being disposed of, the terms of sale, lease, license or permit, and the qualifications of any person to draw, bid or negotiate for public land; and

(g) reduce or waive the lease rental at the beginning of the lease on any lease of public land to be used for any agricultural or pastoral use, or for resort, commercial, industrial or other business use where the land being leased requires substantial improvements to be placed thereon; provided that such reduction or waiver shall not exceed two years for land to be used for any agricultural or pastoral use; or exceed one year for land to be used for resort, commercial, industrial or other business use.

(h) delegate to the director or other employees of the department, subject to the board's control and responsibility, such powers and duties as may be lawful or proper for the performance of the functions vested in the board.

(i) utilize arbitration under chapter 188 of the Revised Laws of Hawaii, 1955, as amended, to settle any controversy arising out of any existing or future lease.

**Section -7. General duties of the board.** Except as provided by law the board through the director shall:

(a) maintain an accurate inventory of public lands;

(b) prevent unlawful occupation of or trespassing on public lands;

(c) cause all trespassers and persons unlawfully occupying public lands, and their effects, and all animals trespassing on such lands to be removed therefrom and to impound such animals according to law;

(d) enter on any public land in order to take possession thereof, and to resume possession of any public land in case of surrender, forfeiture or escheat;

(e) enforce contracts respecting sales, leases, licenses[,] permits or other disposition of public lands;

(f) conduct all public auctions and sales pertaining to the disposition of public lands and other property authorized by the board;

(g) recover money due the state for damage done to any public lands by wrongful entry and occupation or by wrongful removal therefrom or destruction of any property;

(h) bring such actions and proceedings as may be necessary to carry out the powers and duties of the board in the name of the state and to defend such actions brought against the state as may be authorized;

(i) keep a record of all official transactions, relating to public lands within his jurisdiction and such record shall be a public record; and

(j) administer oaths in all matters pertaining to the administration of the public lands.

**Section -8. Land agents, district rangers and other employees.** The board shall be represented in each land district by a land agent and one or more district rangers. The board may employ other necessary employees.

The land agent shall exercise such powers and duties delegated to him by the board.

The duties of the district rangers, in addition to other duties which may be assigned by the board shall be to observe and determine whether the provisions of the laws of the State relative to public lands and of this

chapter, and the provisions of patents, leases, deeds, licenses, agreements or other instruments in respect to such lands are being complied with by tenants, lessees, licensees, grantees or other persons occupying or possessing such lands and to report on such matters to the board through the director and land agent.

The appointment, removal and compensation of land agents, district rangers and other employees shall be determined in accordance with chapters 3 and 4.

**Section -9. Land districts.** For the purposes of this chapter the state is divided into the following land districts:

**First Land District:** The island of Hawaii and the reefs and reef lands off the shores of the island of Hawaii.

**Second Land District:** The islands of Maui, Molokai, Lanai, Kahoolawe and Molokini and the reefs and reef lands off the shores of these islands.

**Third Land District:** The island of Oahu and all other islands and reefs in the state of Hawaii not included in the other districts.

**Fourth Land District:** The islands of Kauai, Niihau, Lehua and Kaula, and the reefs and reef lands off the shores of these islands.

**Section -10. Classes of lands.** The board shall classify all public lands and in doing so be guided by the following classifications:

1. Intensive agricultural use

(a) First class—Lands highly productive of intensive crops such as sugar cane, pineapples, truck crops and orchard crops.

(b) Second class—Lands having medium productivity for intensive crops.

(c) Third class—Lands having fair to marginal productivity for intensive crops.

2. Special livestock use

(a) First class—Lands highly suitable for special livestock uses such as swine, dairy and poultry production. In making such determination, consideration shall be given to drainage, climate, topography, proximity to market and transportation and compatibility to adjoining land use, among other considerations. 'Dairy' as used for disposition purposes means a 'dry lot' dairy without allowance for grazing.

(b) Second class—Lands suitable for special livestock uses, but inferior to those of first class.

3. Pasture use

(a) First class—Lands having a potentially high economic animal unit carrying capacity and capable of correspondingly high liveweight gains per acre per year, such as, less than 5 acres per animal unit per year and more than 100 pounds live beef gains per animal unit per acre per year.

(b) Second class—Lands having a potentially medium economic animal unit carrying capacity and capable of moderate liveweight gains per acre per year, such as, 5 to 20 acres per animal unit per year and 20 to 100 pounds live beef gains per animal unit per acre per year.

(c) Third class—Lands having a relatively low animal unit carrying capacity and producing correspondingly low liveweight gains per acre per year, such as, more than 20 acres per animal unit per year and less than 20 pounds average live beef gains per animal unit per acre per year.

4. Commercial timber use

(a) First class—Lands of high suitability for growth of merchantable timber having mean annual growth potential under normal forest manage-



ment practices with yields exceeding amounts such as 1,000 board feet per acre, and with location and terrain presenting favorable logging, transportation and marketing conditions.

(b) Second class—Lands of high suitability for growth of merchantable timber having mean annual growth potential under normal forest management practices with yields exceeding amounts such as 1,000 board feet per acre, and with location and terrain presenting less favorable logging, transportation and marketing conditions.

(c) Third class—Lands of medium suitability for growth of merchantable timber having mean annual growth potential in amounts such as 500 to 1,000 board feet per acre under normal forest management practices, and with location and terrain presenting favorable logging, transportation and marketing conditions.

(d) Fourth class—Lands of medium suitability for growth of merchantable timber having mean annual growth potential in amounts such as 500 to 1,000 board feet per acre under normal forest management practices, and with location and terrain presenting less favorable logging, transportation and marketing conditions.

(e) Fifth class—Lands of relatively low suitability for growth of merchantable timber having mean annual growth potential less than an amount such as 500 board feet per acre, and with location and terrain presenting favorable logging, transportation and marketing conditions.

(f) Sixth class—Lands of relatively low suitability for growth of merchantable timber having mean annual growth potential less than an amount such as 500 board feet per acre, and with location and terrain presenting less favorable logging transportation and marketing conditions.

5. Quarry use

Lands having sufficient quantity and quality of rock gravel and sand for purpose of commercial use.

6. Mining use

Lands bearing sufficient quantity and quality of mineral products for purpose of commercial mining and use.

7. Recreational use

Lands suitable for use and development as parks, playgrounds, historical sites, natural area, camp grounds, wildlife refuge, scenic sites, and other such uses.

8. Watershed use

Lands suitable for the use and development as watersheds or for the development of water, and requiring necessary restrictions on other uses.

9. Residential use

Lands suitable and economically feasible for residential development and use.

10. Commercial and industrial use

Lands suitable and economically feasible for commercial and industrial development and use.

11. Hotel, apartment and motel use

Lands suitable and economically feasible for hotel, apartment and motel development and use.

12. Resort use

Lands suitable and economically feasible for resort development and use.

13. Unclassified uses

Lands not otherwise classifiable under the foregoing sections.

**Section -11. Public purposes, lands set aside by the governor; management.** The governor may, after giving notice to the appropriate board of supervisors or city council of the county where the land is located and with the prior approval of the board, set aside public lands to any department or agency of the state, the city and county, county or other political subdivisions of the state for public use or purpose. All withdrawals of such lands or portions thereof so set aside shall be made by the governor.

Lands while so set aside for such use or purpose shall be managed by the department, agency, city and county, or other political subdivisions of the state to which the lands have been set aside, unless otherwise provided by law. Such department, agency or political subdivisions may, with the approval of the board, issue leases, licenses, revocable permits or rights of entry covering such lands for such use as may be consistent with the purposes for which the lands were set aside on the same terms, conditions and restrictions applicable to disposition of public lands. If, at the time of the disposition of any such leases the board shall have approved the same, any order withdrawing or setting aside any or all of such lands for any other public purpose shall be made subject to such leases. Subject to the provisions of section 5(f) of the Act of March 18, 1959 (73 Stat. 6), all proceeds from such lands shall be deposited into the appropriate funds provided by law.

The provisions of this section shall also apply where the public purpose are the uses and purposes of the United States; provided, however, that all revenues derived from such lands and improvements thereon shall be paid to the department by the United States.

Whenever lands set aside for a public purpose to the various departments and agencies of the state, or to any city and county, county, or other political subdivisions of the state, or to the United States, are not being utilized for the public purpose stated, the order setting aside such lands shall be withdrawn and returned to the department.

The power granted to the governor in this section to set aside or withdraw shall be exercised only after receiving the approval of the Senate.

**Section -12. Permanent register of applicants for public lands.** The board shall establish and maintain in each land district a register in which all persons desiring to acquire public lands in the district may register. The board may require such persons to submit information in writing and under oath to determine the eligibility of any registrant to acquire such lands.

**Section -13. Disposition of public lands.** Except as otherwise provided by law and subject to other provisions of this chapter, the board may: (a) dispose of public land in fee simple, by lease, lease with option to purchase, license or permit; and (b) grant easement for particular purposes which may be granted for a term not to exceed 65 years on such terms and conditions set by the board, subject, however, to revert to the State upon termination or abandonment of the specific purpose for which it was granted.

**Section -14. Auction.** Except as otherwise specifically provided, all dispositions of public lands shall be made at public auction after public notice as provided in section 16 of this chapter. All such auctions shall be held at the door of the office of the land agent in the district in which the land is located and shall be conducted by the director or the land agent or by any authorized employee of the department under the direction of the board, all of whom shall perform this service without extra compensation.

**Section -15. Drawing.** Whenever public lands are to be sold or leased by drawing, the board shall notify by publication of applications for such drawing as provided in section 16 of this chapter with such details concerning the drawing as it shall deem necessary and desirable. Applications to participate in the drawing must be filed with the board within two weeks after the last publication date. Within forty-five days after the closing date for applications, the board shall screen the qualifications of the applicants, select those qualified to participate, notify all applicants of such selection and conduct a drawing. The date of such drawing shall be published as set forth in section 16 of this chapter. The award shall be made within one week and all applicants shall be notified of the result of such drawing. The lease or patent shall be issued within ninety days after such drawing or when conditions of sale are fulfilled.

**Section -16. Notices.** (a) Auctions. Notice of any proposed disposition by auction shall be published at least once in each of three successive weeks in a newspaper of general circulation in the state and, in addition, in a newspaper of general circulation in the appropriate county, if the land is situated in the first, second and fourth districts, the last publication to be not less than ten days before the date of the auction. Notice of the auction shall contain the following: (1) time and place of the auction; (2) general description of the land, including the address and tax map key; (3) specific use for which the disposition is intended; and (4) upset price or rental to be charged. The maps showing the metes and bounds description and the classification of the land shall be kept in the office of the board and of its land agent in the county in which the land is situated, and shall be open for inspection at all reasonable hours.

The auction shall be held at the door of the office of the land agent in the district in which the land is located and shall be conducted by the director or the land agent or by any authorized employee of the board under its direction, all of whom shall perform this service without extra compensation.

(b) Drawings. Whenever a disposition by drawing by lots is proposed, notice inviting applications to participate in the drawing shall be published once a week for four successive weeks in a newspaper of general circulation published in the state and, in addition, in a newspaper of general circulation in the appropriate county, if the land is situated in the first, second and fourth districts. The notice shall state: (1) the qualifications required of applicants; (2) a general description of the land, including the address and tax map key; (3) specific use for which the disposition is intended; and (4) date by which all applications must be filed which date shall be not less than ten days after the last publication date. Within 45 days after the closing date for applications, the board shall select those qualified to participate in the drawing, notify all applicants as to whether or not he qualified, and conduct the drawing.

The notice of selection of applicants qualified to participate in the drawing, together with the notice of drawing, shall be mailed to each applicant, whether or not he in fact, qualified. The notice of the drawing shall state the time and place of the drawing. In addition to the notice to each applicant, the board shall publish the notice of drawing at least three times within a period of ten days in a newspaper of general circulation in the state and, in addition, in a newspaper of general circulation in the appropriate county, if the land is situated in the first, second and fourth districts, each publication

to be not oftener than once in two successive days. Upon completion of the drawing, the award shall be announced within one week, and the lease or patent issued within ninety days after the drawing.

(c) Negotiation. Notice of a proposed disposition by negotiation shall be published at least once in each of three successive weeks in a newspaper of general circulation in the state and in addition in a newspaper of general circulation in the appropriate county if the land is situated in the First, Second and Fourth Districts; provided, that such notices are not required for revocable permits, remnants and exchanges. Such notice shall invite proposals and state in general terms the size, location and prices or rental of lots to be sold or leased, the terms of sale or lease, and the last date on which application will be received by the board, which date shall not be less than thirty days after the last date of publication of such notice. Such notice shall also state the times and places at which more detailed information with respect to the sale or lease may be secured by interested persons.

#### Section -17. Appraisals.

(a) Public auction. The appraisal of public lands for sale or lease at public auction for the determination of the upset price may be performed by an employee of the board or by one but not more than three qualified appraisers whose services have been contracted for as provided herein. No such land shall be sold or leased for a sum less than the value fixed by appraisal; provided, however, that for any sale or lease at public auction, the board may establish the upset sale or rental price at less than the appraisal value and the land may be sold or leased at such price.

(b) Drawing or negotiation. The sale price or lease rental of lands to be disposed of by drawing or by negotiation shall be no less than the value determined by a disinterested appraiser or appraisers whose services have been contracted for as provided herein, and any further appraisal, made at the request of the purchaser and with the approval of the board shall be at the cost of the party requesting such additional appraisal.

(c) Repurchase. In the event of repurchase of any land by the board or on reopening of the rental to be paid on a lease, the value shall be determined by said qualified appraiser whose services have been contracted for as provided herein; provided, however, should the owner or lessee fail to agree upon such value, he may appoint his own appraiser who together with the board's appraiser shall appoint a third appraiser, and the value shall be determined by arbitration as provided in Chapter 188. The owner or lessee shall pay for his own appraiser and the cost of the third appraiser shall be borne equally.

(d) Purchase. The appraisal of private property to be acquired by the board may be performed by one but not more than three disinterested appraisers whose services have been contracted for by the board and no land shall be purchased for a sum greater than the highest value fixed by such appraiser or appraisers; provided, however, that the board may, after a review of such appraisals by the appraiser or appraisers or the attorney general, purchase such property at a value greater than such highest value if the higher value is determined by the appraiser or appraisers or the attorney general to be justified and within the range of market value; provided further that this limitation shall not apply where acquisition is by condemnation.

(e) Whenever more than one appraiser is appointed each shall prepare and submit an independent appraisal. All appraisal reports shall be available for study by the public.

Section -18. **Public land trust.** All funds derived from the sale or lease or other disposition of public lands shall be appropriated by the laws of the State; provided, that, all proceeds and income from the sale, lease or other disposition of lands ceded to the United States by the Republic of Hawaii under the joint resolution of annexation, approved July 7, 1898 (30 Stat. 750), or acquired in exchange for lands so ceded, and returned to the State of Hawaii by virtue of section 5(b) of the Act of March 18, 1959 (73 Stat. 6), and all proceeds and income from the sale, lease or other disposition of lands retained by the United States under sections 5(c) and 5(d) of said Act and later conveyed to the State under section 5(e) shall be held as a public trust for the support of the public schools and other public educational institutions, for the betterment of the conditions of native Hawaiians as defined in the Hawaiian Homes Commission Act, 1920, as amended, for the development of farm and home ownership on as widespread a basis as possible, for the making of public improvements, and for the provision of lands for public use.

Section -19. **Special land and development fund.** There is hereby created in the department a special fund to be designated as the 'special land and development fund'. Subject to the provisions contained in the Hawaiian Homes Commission Act of 1920, as amended, and in section 5(f) of the Admission Act of 1959, all proceeds of sale of public lands, including interest on deferred payments, and all rents from leases, licenses and permits derived from public lands shall be set apart in such fund and shall be used only as authorized by the legislature, except that, without such prior legislative authority, the board may use the fund for the following purposes:

(a) For preliminary planning and the preparation of economic and engineering feasibility studies of development or improvement projects. The board may engage the aid of such professional assistants as it may deem to be necessary or advisable in the conduct of such studies. The studies shall include the total cost of the project, the reasonable value of the land and all costs to the state which are reasonably necessary to complete the improvement and development of the land to its intended use in conformity with the comprehensive land use plan and any applicable county subdivision standards, all costs for the development of such connecting roads, water and utility lines from existing termini thereof as may be necessary and desirable for the placement of the land to immediate use following the disposition of the same;

(b) To reimburse the general fund of the state for advancements heretofore or hereafter made therefrom, which are required to be reimbursed from the proceeds of sales, leases, licenses or permits derived from public lands;

(c) For the incidental maintenance of public lands, including the repair of improvements thereon, not to exceed \$10,000 in any fiscal year;

(d) To repurchase any land, including improvements thereon, in the exercise by the board of any right of repurchase specifically reserved in any patent, deed, lease or other documents or as provided by law;

(e) For the payment of appraisal fees incurred by the board; provided, that the fund shall be reimbursed upon collection of such fees from the purchaser or lessee of public lands;

(f) For the payment of publication notices as required under this Act, provided that such expenditures shall not be charged to the purchaser or lessee of public lands.

Notwithstanding the above limitations on use of the proceeds of sale, where

the board sells public lands including the buildings thereon once used but no longer necessary for school purposes at the recommendation and request of the board of education, all net proceeds derived from such sales are hereby appropriated to the county wherein such sales occur for the acquisition of land or for the erection of buildings for school purposes to the extent of an approved building plan in the school district wherein such sales occur. In the absence of any school building program in such district or in the event of any surplus remaining after the completion of buildings constructed pursuant to such approved plan then the proceeds or surplus shall be used in other school districts in the county wherein such sales occur.

When use of the fund is authorized by the legislature for the development of public lands for a particular project, to be disposed of by sale, lease, license or permit, the board may pay from the fund the costs of such development, including the costs of surveys, construction of roads, water lines and sewer lines and such other improvements as may be necessary for the development of such lands; provided, that such project shall meet with the zoning and subdivision requirements of the appropriate county and city and county government in which the lands are located, except that plans and specifications for recreational projects, including access roads therefor, shall not be required to meet with such approval; and provided further, that no such development of public lands for disposal by sale, lease, license or permit shall be made unless appropriate roads, water lines and other improvements are installed which will make the land useable for the purpose for which it is being disposed at the time of disposition.

**Section -20. Notice of breach or default.** Except as otherwise specifically provided in this chapter, in the event of a breach or default of any term, covenant, restriction or condition of any lease, patent, license, agreement or other instrument heretofore or hereafter issued under the provisions of this chapter, the board shall deliver a written notice of such breach or default by personal service or by registered or certified mail to the party in default and to each holder of record having any security interest in the land covered by or subject to such lease, patent, license, agreement or other instrument, making demand upon the party to cure or remedy the breach or default within 90 days from the date of receipt of the notice. Upon failure of the party to cure or remedy the breach or default within 90 days from the date of receipt of the notice, or within such additional period as the board may allow for good cause, the board may, subject to the provisions of section 21 of this chapter, exercise such rights as it may have at law or as set forth in the lease, patent, license, agreement or other instrument.

**Section -21. Rights of holder of security interest.** Whenever any notice of breach or default is given to any party under the provisions of section 20 of this chapter, or under the terms of any lease, patent, license, agreement or other instrument heretofore or hereafter issued under the provisions of this chapter, a copy of such notice shall be delivered by the board to all holders of record of any security interest in the land or interest covered by the lease, patent, license, agreement or other instrument whose security interest has been recorded with the board. Should the board seek to forfeit the interest or estate created by the lease, license, agreement, patent or other instrument, each holder may, at its option, cure or remedy the breach or default within 90 days from the date of receipt of the notice, or within such additional period as the board may allow for good cause and add the cost

thereof to the mortgage debt and the lien of the mortgage. Upon failure of the holder to exercise its option, the board may: (a) pay to the holder from any monies at its disposal, including the special land and development fund, which is hereby made available for such purpose, the amount of the mortgage debt, together with interest and penalties, and secure an assignment of said debt and mortgage from said holder, or if ownership of such interest or estate shall then have vested in such holder by way of foreclosure or action in lieu thereof the board shall be entitled to a conveyance of said interest or estate upon payment to said holder of the amount of the mortgage debt, including interest and penalties, and all reasonable expenses incurred by the holder in connection with such foreclosure and preservation of its security interest, less appropriate credits, including income received from said interest or estate subsequent to such foreclosure; or (b) terminate the outstanding interest or estate subject to the lien of such mortgage, without prejudice to any other right or remedy for arrears of rent or for any preceding or other breach or default, and thereupon use its best efforts to redispense of the land affected thereby to a qualified and responsible person who will assume the obligation of the mortgage and the debt thereby secured; provided, that a reasonable delay by the board in instituting or prosecuting any right or remedy it may have hereunder shall not operate as a waiver of such right or to deprive it of such remedy when it may still hope otherwise to resolve the problems created by the breach or default involved. The provisions of section 21\* of this chapter to the contrary notwithstanding, the proceeds of any redispense effected hereunder shall be applied, first, to reimburse the board for costs and expenses in connection with such redispense, second, to discharge in full any unpaid purchase price or other indebtedness owing the State in connection with such interest or estate terminated as aforesaid, and the balance, if any, shall be paid to the owner of such interest or estate. Nothing herein contained shall be construed in a manner as to infringe upon or prejudice in any way the rights of a holder of record having a security interest which shall have vested prior to the effective date hereof, and to the extent that the provisions of this section and section 92 of this chapter shall or may conflict and adversely affect such interests, the same shall be of no force and effect.

**Section -22. Consent to mortgage.** Whenever under any of the provisions of this chapter consent of the state is required as a condition precedent to the mortgage of, or the creation of a security interest in public land, the board may, upon due application, grant such consent, and if the mortgage or security interest is to a recognized lending institution, authorized to do business as a lending institution in either the State of Hawaii or elsewhere in the United States, the consent may extend to foreclosure and sale at such foreclosure to any purchaser, including the mortgagee, without regard to whether or not the purchaser is qualified under the provisions of this chapter to lease, own or otherwise acquire and hold the land or any interest therein. The interest of the mortgagee or holder shall be freely assignable. The term 'holder' includes an insurer or guarantor of the obligation or condition of such mortgage, including the Federal Housing Commissioner, the Administrator of Veterans Affairs and their respective successors in office.

Notwithstanding any provision in this chapter to the contrary, in leases or sales for residential purposes, the board may waive or modify any restrictions of such lease or sale or any restrictions contained in any such lease or sale,

\* So in original.

if such waiver or modification is necessary to enable the Federal Housing Administration, the Veterans Administration or any other federal agency to participate in any loan secured by a mortgage on the land or the leasehold interest.

Section -23. **Land patents and deeds, issued when.** Except as otherwise provided, a land patent or a deed shall issue under the seal of the department to the purchaser in fee simple of any public land or other land disposable by said board or to any holder of an award from the board of commissioners to quiet titles upon payment of the commutation, if any, required under sections 100-1 to 100-6 and upon presentation of satisfactory proof by the claimant to the lands covered by such award of sufficient right, title and interest to the awarded land.

Section -24. **Land conveyances, preparation, signing, record, copies.** Except for the preparation and execution of leases and licenses and the issuance of revocable permits and rights of entry by the department of transportation, in its harbor and airport functions, all land patents, deeds, leases, grants or other conveyances of any public land or any interest therein, shall be prepared by the department of land and natural resources. The department of transportation shall, within thirty days after the execution or issuance of such documents, file or record as directed by the board the original of the same with the board.

Documents setting aside lands for public purposes or withdrawing the same shall be signed by the governor. All other documents prepared by the department of land and natural resources shall be signed by its director and countersigned by any member of the board and in the absence or vacancy in the office of the director such documents shall be signed by two members of the board.

The board shall keep a complete record of all such documents. The record shall be open to public inspection and the board shall furnish a certified copy, under its official seal, of any such document to any person applying therefor, upon payment of reasonable charges set by the board for such certified copies.

Section -25. **Irrigation projects.** In any patent, agreement, or lease a condition may be provided requiring the inclusion of the land being disposed in any irrigation project formed or to be formed by the state agency responsible therefor and making the land subject to assessments made or to be made for such project and constituting such assessments a first lien upon the land which if not paid shall result in the forfeiture of the land subject to notice of default as provided in section 20 of this chapter.

Section -26. **Rights-of-way to the sea and game preserves.** Prior to the disposition of any public lands, the board shall lay out and establish over and across such lands a reasonable number of rights-of-way from established highways to the public beaches and game preserves in order that the right of the people to utilize the public beach or beaches and public game preserves shall be protected.

Prior to the leasing of any lands, the board shall determine the feasibility of hunting on such lands, and if any of them is suitable for hunting or may during the term of the lease become suitable for hunting, the board shall reserve such lands as game preserves consistent with the rights of the lessee.

The cost of such rights-of-way and any fencing which may be required shall be borne by the state, lessee or jointly as the board may deem appropriate prior to the leasing of such lands.



Section -27. **Taxes.** Any provision to the contrary notwithstanding, leases and licenses issued by the board and permits issued to permittees, who are holdover lessees or licensees, shall be subject to real property taxes which shall be assessed on a pro rata basis against the lessee, licensee or such permittee and his successor in interest.

The board shall notify the lessee, licensee or permittee and each holder of record having a security interest as provided in section 21 of this chapter of any default in the payment of such taxes and upon failure to remedy such default within ninety days after receipt of notice of default, the board shall cancel and terminate such lease, license or permit without prejudice to any other remedies the state may have against the lessee, licensee or permittee.

Section -28. **Government owned fish ponds.** The Board may investigate and develop scientific commercial management practices for government owned fish ponds and reconstruct, rehabilitate, improve and stock such fish ponds; and expend moneys from the special land and development fund.

All revenues derived from any government owned fish pond shall be deposited in such fund.

Section -29. **Report to legislature on all dispositions.** The board shall submit a written report annually to the legislature within ten days of the convening of each regular session, of all land dispositions made in the preceding year, including sales, leases, leases with options to purchase, licenses, concessions, permits, exchanges and setting aside of lands by executive orders, the persons to whom made, the size of each disposition, the purpose for which made, the land classification of each, the tax map key number, the per unit price paid or set, and whether the disposition was by auction, by drawing or by negotiation.

Section -30. **Acquisition of private property; general.** The board shall have the exclusive responsibility of acquiring, including by way of dedications (a) all real property and interest therein and the improvements thereon, if any, required by the State for public purposes, including real property together with improvements, if any, in excess of that needed for such public use in cases where small remnants would otherwise be left or where other justifiable cause necessitates such acquisition to protect and preserve the contemplated improvement, or public policy demands such acquisition in connection with such improvement, (b) encumbrances on public lands needed for public purposes or for the disposition for houselots or for economic development, in the form of leases, licenses or otherwise for any state department or agency; and shall upon the request of and with the funds from such department or agency, effectuate such acquisition; provided, that a state department or agency may directly acquire such real property for its purposes whenever such acquisition by such department or agency is required to conform to mandatory requirements of the United States in the case where federal funds are furnished to such department or agency.

Section -31. **Depository for documents; filing, record.** The department of land and natural resources is designated as a depository for purpose of recordation with the registrar of conveyances, all documents pertaining to real property or any interest therein conveyed to the Territory or State or to any political subdivision thereof.

The officer in charge of any department of the State or any department of any political subdivision thereof, who is authorized to negotiate for the acquisition of real property or any interest therein shall within thirty days after

the execution of the necessary documents involved, file all such documents pertaining to such real property or any interest therein with the department. Two blueprint plans of such real property shall also be filed with the department.

All such documents shall be offered for record by direction of the board and recorded by the registrar of conveyances free of charge.

## PART II. DISPOSITIONS, GENERALLY.

### A. POLICY AND PLANNING.

Section 32. **Policy.** Unless otherwise specifically authorized in this chapter or by subsequent legislative acts, all dispositions shall be by lease only, disposed of by public auction in accordance with the procedure set forth in sections 14 and 15 of this chapter.

Section 33. **Planning; generally.** Prior to any notice of intended disposition, the board shall:

- (a) Classify the land according to its uses as provided in this chapter;
- (b) Determine the specific use for which the disposition is intended;
- (c) Parcel land into units of minimum size areas related to the intended specific use and sufficient for an economic operation, hereinafter called an "economic unit";
- (d) Determine the requirements for the construction of building or other improvements, which are necessary or desirable to encourage the highest use of the land;
- (e) Determine the upset price or lease rental, based upon the fair market value of the land employed to the specific use for which the disposition is being made, with due consideration for all of the terms and conditions of the disposition;
- (f) Determine the necessary conditions of disposition which will discourage speculation;
- (g) In the case of leases, determine the minimum tenure necessary to support the intended use and the necessity for periodic rent openings in long-term leases to assure the state a fair return;
- (h) Prepare the proposed documents and make them available for public inspection; in the case of leases, serve notice of their preparation and content to the appropriate county board of supervisors or city council where the land to be disposed is located, at least ten days before the board approves the intended disposition;
- (i) Determine, two years before the expiration of the term of any lease, whether the premises are to be demised for the same use under a new lease or whether all or any part thereof is to be reserved for other uses and then promptly notify the lessee of such determination.

Section 34. **Planning; intensive agricultural and pasture uses.** In addition to the requirements set forth in section 33 of this chapter, if the intended disposition is for intensive agricultural or pasture uses, the board shall:

- (a) Make or cause to be made an on-the-ground inspection of the land;
- (b) Secure data or information from the land study bureau relating to such parcel;
- (c) Review any other pertinent information with respect to such land and the surrounding area; and

(d) Based upon information obtained, prepare a written report on the land, which report shall include the following: (1) the class of the land within the specific use for which disposition is intended; (2) the condition of the land with respect to its state of development; (3) existing improvements, if any; (4) extent of uncontrolled erosion if any; (5) nature of forage and (6) extent of infestation with noxious weeds.

## B. LEASES.

Section 35. **Lease provisions; generally.** Every lease issued by the board shall contain:

- (a) The specific use to which the land is to be employed;
- (b) The improvements required; provided, that a minimum reasonable time be allowed for the completion of such improvements;
- (c) Restrictions against alienation as set forth in section 36 of this chapter;
- (d) The rent, as established by the board, which shall be payable not more than one year in advance, in quarterly, semi-annual or annual payments;
- (e) Where applicable, adequate protection of forests, watershed areas and hunting preserves, reservation of rights of way and access to other public lands, hunting preserves, or public beaches, and prevention of nuisance and waste; and
- (f) Such other terms and conditions as the board deems advisable to more nearly effectuate the purposes of the State Constitution and of this chapter.

Section 36. **Lease restrictions; generally.** Except as otherwise provided, the following restrictions shall apply to all leases:

- (a) Options for renewal of terms are prohibited;
- (b) No lease shall be for a longer term than 65 years, except in the case of a residential leasehold which may provide for an initial term of 55 years with the privilege of extension to meet Federal Housing Administration or Veterans Administration requirements, provided, that the aggregate of the initial term and extension shall in no event exceed 75 years;
- (c) No lease shall be made for any land under a lease which has more than one year to run;
- (d) No lease shall be made to any person who is in arrears in the payment of taxes, rents or other obligations owing the state or any of its political subdivisions;
- (e) No lease shall be transferable or assignable, except by devise, bequest, or intestate succession; provided, that, with the approval of the board, the assignment and transfer of a lease or unit thereof may be made if (1) it contains the personal residence of the lessee; or (2) in the case of commercial, industrial, hotel, resort, apartment and other business uses, the lessee was required to put in substantial building improvements; (3) the lessee becomes mentally or physically disabled; or (4) extreme economic hardship is demonstrated to the satisfaction of the board.
- (f) The lease shall be for a specific use only and shall not include waste lands, unless it is impractical to provide otherwise; and
- (g) Mineral and metallic rights and surface and ground water shall be reserved to the state.

The board may, from time to time, upon the issuance of any lease, adopt or modify or eliminate any of the foregoing restrictions to the extent neces-

sary to qualify such lease for mortgage lending or guaranty purposes with the Federal Housing Administration, Federal National Mortgage Association, Veterans Administration, Small Business Administration, Farmers Home Administration, and their respective successors and assigns.

**Section 37. Lease restrictions; intensive agricultural and pasture uses.** In addition to the restrictions provided in section 36 of this chapter, the following restrictions shall apply to all leases for intensive agricultural and pasture uses :

(a) The lease term shall not exceed 20 years, except that if the type of disposition requires the lessee to occupy the premises as his own personal residence, it may be longer than 20 years, but not in excess of 75 years.

(b) If the land being leased is not immediately productive and requires extensive expenditures for clearing, conditioning of the soil, the securing of water, or the planting of grasses, the lease term may be extended up to an additional 5 years.

(c) The land leased hereunder shall be subject to withdrawal by the board at any time during the term of the lease with reasonable notice and without compensation, except as provided herein, for public uses or purposes, including residential, commercial, industrial or resort developments, for constructing new roads or extensions, or changes in line or grade of existing roads, for rights of way and easements of all kinds, and shall be subject to the right of the board to remove soil, rock or gravel as may be necessary for the construction of roads and rights of way within or without the demised premises; provided, that, upon such withdrawal, or upon such taking which causes any portion of the land originally demised to become unusable for the specific use for which it was demised, the rent shall be reduced in proportion to the value of the land withdrawn or made unusable, and if any permanent improvement constructed upon the land by the lessee is destroyed or made unusable in the process of such withdrawal or taking, the proportionate value thereof shall be paid based upon the unexpired term of the lease; provided, further, that no such withdrawal or taking shall be had as to those portions of the land which are then under cultivation with crops until the crops are harvested, unless the board pays to the lessee the value of such crops.

**Section 38. Condemnation of leases.** The lease shall provide that whenever a portion of the public land under lease is condemned for public purposes by the state, or any county or city and county, or any other governmental agency or subdivision, the rental shall be reduced in proportion to the value of the portion of the premises condemned, and the lessee shall be entitled to receive from the condemning authority (a) the value of growing crops, if any, which he is not permitted to harvest and (b) the proportionate value of the lessee's permanent improvements so taken in the proportion that it bears to the unexpired term of the lease; provided, that the lessee may, in the alternative, remove and relocate his improvements to the remainder of the lands occupied by him. The foregoing rights of the lessee shall not be exclusive of any other to which he may be entitled by law. Where the portion so taken renders the remainder unsuitable for the uses for which the land was leased, the lessee shall have the option to surrender his lease and be discharged for any further liability therefor; provided, that he may remove his permanent improvements within such reasonable period allowed by the board.

**Section 39. Forfeiture; leases.** Upon the violation of any condition or term of any lease to be observed or performed by the lessee or tenant, the

board shall, after due notice of default as provided in section 20 of this chapter, and subject to the rights of each holder of record having a security interest as provided in section 21 of this chapter, terminate such lease or tenancy and take possession of the leased land, without demand or previous entry and without legal process, together with all improvements placed thereon and shall retain all rent paid in advance as damages for the violations.

**Section 40. Expired leases; holdover.** Upon expiration of the lease term, if the leased land is not otherwise disposed of, the board may allow the lessee to continue to hold the land for a period not exceeding one year upon such rent, terms and conditions as the board may prescribe; provided, that if, immediately prior to the expiration of the lease, the land was cultivated with crops having ratoons for at least one cycle, as defined hereinafter, the board may permit the lessee to continue to hold the leased land until the crops from the last remaining cycle have been harvested. The term "cycle" as used in this section means the period required to plant and cultivate the original crop, including the harvesting of the first ratoon, being a period exceeding two years.

Upon expiration of the one year extension, if the board has not yet decided upon the re-lease of the land or reservation for other purposes, the board may issue a temporary permit to the lessee, subject to the provisions of section 52 of this chapter, and the rent and such other terms and conditions as the board may prescribe.

**Section 41. Commercial, industrial and other business uses.** Leases for commercial, industrial and other business uses shall be made only pursuant to a development plan which provides for careful placement of complementary enterprises consistent with county or city and county zoning requirements. Where a disposition for any such use is made without advance parcelization, the board shall make adequate provisions for the compatibility of the proposed enterprises with any existing surrounding private developments. The board, wherever possible, shall control the landscaping and architecture of the enterprises and protect the public against the creation of nuisances of smoke, soot, irritating odors and gases, and harmful wastes.

Public land may be sold in fee simple for these purposes only when express approval has been granted by legislative enactment.

**Section 42. Hotel and resort uses.** Public land may be leased for hotel or resort development, if the department of planning finds that the land possesses the amenities for a successful hotel and resort development and that the advantages of its placement for such use outweigh those inherent in free public use in its natural state. Where the land being disposed of for hotel or resort use is divisible into more than one economic unit, such division shall be made prior to disposition, provided, that firm use controls shall be imposed to assure that the development of each unit is compatible with the others. Provisions for community operations of shopping areas, golf courses, and other similar facilities shall be encouraged, with special assessments for the maintenance of these community facilities. Where public land disposed of for hotel or resort use is adjacent to any beach, waterway, or historic monument or landmark, the disposition shall be subject to reservations of public right of way or public access at all times to such beach, waterway, historic monument or landmark.

The board may sell in fee simple raw, unimproved, public land for resort use provided; that;

(a) The board first finds that the land is suitable for resort development and that its use for resort purposes will promote the economic development of the state;

(b) The purchaser submits development plans for the area to be purchased which conform with applicable county or city and county zoning and subdivision requirements;

(c) The board finds upon independent study of these plans that the proposed development is compatible with the developments in the area in general and consistent with good sound planning;

(d) The purchaser agrees to construct, improve and put in all off-site and on-site improvements as may be required by the board which may include any or all of the following: all major and minor auxiliary roads and highways as well as all local streets; all connecting water lines and mains to existing lines and mains; all necessary sewer lines; sewage treatment or disposal plants; all pumping stations; all reservoirs; golf courses; recreational areas; shopping centers; and all other improvements necessary to develop the raw land into an economic resort enterprise;

(e) The purchaser agrees to complete all improvements within the time limitations set by the board.

(f) The title to the land shall remain in the state until the purchaser has made all payments required in the terms of the sale and has constructed the improvements as agreed; provided, that where the purchaser finds it necessary to secure a loan to finance the construction of the improvements the board may issue a patent or deed upon the execution in favor of the state of a performance and payment bond conditioned upon the payment of an amount equal to 100 per cent of the improvement cost. Such bond shall by its terms inure to the benefit of the state.

(g) The board shall sell for resort uses only that portion of the public lands in the proposed resort area which it finds to be absolutely necessary to give the purchaser self-sustaining economic operation; provided, that no public land shall be included in the sale for these purposes which will not actually be improved and used in the resort area for resort purposes.

In any disposition under this section the Board shall give consideration to the needs of the public for beach area above the high water mark.

Upon a finding by the board that the public interest demands it, the board may lease or sell in fee simple such public land by negotiation as provided and subject to the conditions set forth in section 56 of this chapter.

### C. RESIDENTIAL SALES.

**Section 43. Residence lots; sales or sale.** The board may dispose of public land for personal residence purposes (a) by sale in fee simple at public auction as provided in sections 14 and 16 of this chapter, or (b) by lease at public auction or by drawing of lots as provided in sections 15 and 16 of this chapter.

**Section 44. Residential sales or leases; planning.** Prior to the disposition of public land for residential lots, whether by sale in fee simple or by lease, in addition to the requirements of section 33 of this chapter, the board shall:

(a) Make a determination of the demand for houselots in the area of the intended disposition;

(b) Make a thorough investigation of the costs of such a residential development;

(c) Wherever possible locate the residential development adjacent to an existing urban center;

(d) Subdivide and improve the land, in conformity with county or city and county zoning and subdivision requirements, including the construction of necessary roads; and

(e) Plan the development to meet the economic need and circumstance of the persons for whom the development is intended.

Section 45. **Residence lots, requirements.** In the disposition of lots for residence purposes:

(a) No person shall purchase or lease, directly or indirectly through an agent, nominee, third person or otherwise, any interest in more than one lot.

(b) No person and no unmarried minor child, whose spouse or parent purchases or leases a lot, shall be eligible to purchase or lease any lot.

(c) The board shall require the lessee or purchaser to construct a dwelling of such size and value and within such time as shall be prescribed by the board.

(d) The board shall establish such additional restrictions, requirements or conditions in accordance with the powers granted to it in section 6(f) of this chapter.

Section 46. **Residence lots: unsold; forfeited; surrendered.** Any lot not sold at public auction, or sold and forfeited, or surrendered after sale with the consent of the board, which consent is authorized, may, subject to the provisions of section 21 of this chapter, be disposed of by the board as follows:

(a) The board shall hold such lot without disposition for a period of thirty days, during which time, any person otherwise qualified to bid interested in securing the lot may apply therefor in writing.

(b) Upon the expiration of 30 days, if not more than one person has applied for the lot, the board may dispose the lot to the sole applicant without public auction at not less than the prior upset price; provided, that if the lot is one among several available lots and there are more applicants than available lots, this paragraph shall not apply.

(c) If more than one person has applied for the lot, or if there are more applicants than available lots, upon the expiration of 30 days, the board shall dispose of the lot or all of the available lots, as the case may be, at public auction as provided in sections 14 and 16 of this chapter, at the prior upset price or, if the auction is held more than six months after the date of the prior public auction, at the upset price fixed by a re-appraisal of the lot.

#### D. MISCELLANEOUS

Section 47. **Exchanges.** (a) Purpose. No exchange of public land for private land shall be made except for public purposes, including (1) consolidation of holdings of public lands; (2) straightening of boundaries of public lands; or (3) acquisition of adequate access for landlocked public lands which have a development potential. Exchanges shall be effected without public auction or public notice. All private lands conveyed to the state by way of exchange shall thereafter become public lands.

(b) Amount. No exchange of public land for private land shall exceed 40 acres in area or \$25,000 in value. No public land shall be exchanged for private land, when such exchange has the effect of leaving public lands of inadequate size for later development. Advance parcelization to avoid the limitations of area or value is deemed improper.

(c) Value. In an exchange of public land for private land, the appraisal of the value of the private land shall be based on its use prior to the exchange,

and the public land exchanged shall be of equal value and of use comparable to that of the private land prior to the exchange. Provided, that, if the use of the private land prior to the exchange is any one of the following, (1) intensive agricultural or (2) pasture or (3) special livestock, and the state has no land within the land district of comparable specific use, the board may exchange public land classified in any other of the three uses set forth above.

(d) Legislative authorization. No exchange of public land for private land shall be made except upon submission of the proposed exchange to the legislature, and the legislature approves the exchange by legislative act.

(e) Exception. Notwithstanding any limitations set forth in this section, the board may exchange public land for Hawaiian Homes Commission's available land of equal value in order to consolidate its holdings or the holdings of the commission or to effectuate better the purposes of this chapter or of the Hawaiian Homes Commission Act of 1920, as amended.

Section 48. **Quitclaim.** The board may, after giving public notice as required in section 16(a) of this chapter, enter into an exchange by way of compromise or equitable settlement of rights of claimants without auction and may quitclaim any and all interests of the state in private land for the purpose of perfecting title to such private land in private individuals who have defective titles; provided, that no quitclaim may issue where the title to private land is subject to reversion to the state or to a right of entry by the state upon breach of condition subsequent or where the title to the private land is conveyed by the state for specific uses or purposes; provided, further, that no exchange or quitclaim may be entered into or made where the interest of the state arises by reason of any provision in a deed or patent issued by the state, which prescribes the specific use to which the land may be put or the specific purpose for which the land was conveyed.

Section 49. **Remnant.** (a) Definition. The term 'remnant' means a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape or other characteristics. A remnant may be (1) land acquired by condemnation which is in excess of the needs for which condemned; (2) vacated, closed, abandoned or discontinued road, street or alley or walk, railroad, ditch or other right of way.

(b) Disposition restriction. No parcel shall be disposed of as a remnant solely for the reason that it lacks an adequate access.

(c) Disposition. Any remnant or portion thereof to be disposed of whether for farm purposes or otherwise, shall first be offered for sale to the abutting owner for a reasonable period of time at a reasonable price based on appraised value. If there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting a sealed bid containing the highest offer above the appraised value. If the remnant abuts more than one parcel, the board may subdivide the remnant so that a portion thereof may be sold to each abutting owner at the appraised value.

(d) Appraisal. The value of the remnant or portion thereof shall be appraised by an independent appraiser, which appraisal shall take into consideration the limited market for such remnant and the resulting enhancement to an abutting owner's property by the addition of the remnant.

Section 50. **Reclamation and disposition of submerged or reclaimed public land.** Any submerged public land or land beneath tidal waters shall not hereafter be reclaimed by private abutting owners.



As to presently reclaimed land, the board, after finding that its disposition is not prejudicial to the best interest of the State, community or area in which such reclaimed land is located and after giving public notice in accordance with section 16(a) of this chapter, of its intention to dispose, may dispose of it, without recourse to public auction, to the abutting owner, by sale or lease; provided, that, if the reclaimed land has been filled in or made with the prior approval of governmental authorities, and not otherwise filled in or made contrary to the public interest, it may be disposed of at fair market value or fair market rental of the submerged public land, but if the reclaimed land has been filled or made otherwise, it shall be disposed of at the fair market value or fair market rental of the reclaimed land.

Section 51. **Land license.**<sup>a</sup> The board may issue land licenses affecting public lands. Any such land license shall be disposed of at public auction as provided in sections 14 and 16 of this chapter, for a period not exceeding one year; provided, that the board may issue directly without recourse to public auction, a land license, terminable at will by either the board or licensee, but only upon the express finding that the disposition of the land license at public auction is not feasible or practical. Upon any subsequent application by any other person for the same privilege for which a license has been issued without recourse to public auction, the board shall terminate such land license and offer the same at public auction, unless the board can accommodate the subsequent applicant without recourse to public auction.

Section -52. **Permits.** The board may issue permits for the temporary occupancy of State lands or interest therein on a month-to-month basis under such conditions which will serve the best interests of the State, subject, however, to such restrictions as may from time to time be expressly provided by law. Where such permit on a month-to-month basis extends for a period beyond one year from the date of issuance, any renewal of the permit beyond such one year period shall be only upon approval of the board.

Section -53. **Contract or license for concessions or concession space.** The board may dispose of concession and concession space on public land and shall enter into a contract or issue a license for such concession or concession space only in accordance with the procedure set forth in chapter 7B; provided, that the duration of the contract or license shall be related to the investment required, but in no event to exceed ten years.

Section -54. **Reserved rights and easements.** Notwithstanding any limitations to the contrary, where public land is disposed of with reservation in the state of quarry rights to rock, sand or gravel or an easement, if the board finds that a disposition of such reserved right or easement is not prejudicial to the best interest of the State, community or area in which the land is situated, it may, after giving public notice of the intended disposition as provided in section 16(a) of this chapter, dispose of such reserved right or easement to the owner of the land by sale in fee simple or by lease without public auction.

Section -55. **Mineral and Water rights.** The right to any mineral or surface or ground water shall not be included in any lease, agreement or sale, such right being reserved to the state; provided, that the board may make provisions in such lease, agreement or sale, for the payment of just compensation to the surface owner for improvements taken as a condition precedent to the exercise by the state of any reserved rights to enter, sever and remove minerals or to capture, divert or impound water. Disposition of mineral rights

shall be in accordance with the laws relating thereto enacted or hereafter enacted by the legislature, and, any provision in this chapter to the contrary notwithstanding, no disposition of water rights shall be made, except by permits in accordance with section 52 of this chapter, without the prior approval of the legislature.

**Section -56. Disposition by negotiation.** A lease of public land may be disposed of through negotiation upon a finding by the board that the public interest demands it. Where the public land is being sought under this section by a sugar or pineapple company, and such company is the owner or operator of a mill or cannery, then, for the purposes of this section, the economic unit shall be that acreage of public land which when taken together with the lands already owned or controlled or available to the company, when cultivated is found by the board to be necessary for the company's optimum mill or cannery operation. In all other cases, public land to be sold under this section shall be in economic unit as provided in section 33(c) of this chapter.

After a determination is made to negotiate the disposition of a lease, the board shall:

(a) Give public notice as in public auction, in accordance with the procedure set forth in section 16(a) of this chapter, of its intention to lease public land through negotiation setting forth the minimum conditions thereunder, the use for which the public land will be leased. Any person interested in securing the lease shall file an application with the board not later than forty-five days after the first publication of the notice;

(b) Establish reasonable criteria for the selection of the lessee;

(c) Determine the applicants who meet the criteria for selection set by the board, and notify all applicants of its determination. Any applicant may examine the basis of the determination, which shall be in writing, to ascertain whether or not the conditions and criteria established by the board were followed; provided, that, if any applicant does not notify the board of his objections, and the grounds therefor, in writing, within twenty days of the receipt of the notice, he shall be barred from proceeding to seek legal remedy for any alleged failure of the board to follow the conditions and criteria.

(d) If only one applicant meets the criteria for selection of the lessee, the board may, after notice as provided in (c) above, dispose of the lease by negotiation.

(e) If two or more applicants meet the criteria for the selection of the lessee, the board shall select the lessee who submits the highest offer contained in a sealed bid deposited with the board.

**Section -57. Cancellation, surrender.** When public land is disposed of with a building requirement and, thereafter, prior to the erection of the building, the land becomes or is discovered to be unfit for the erection of such building, or by change of conditions it becomes impossible or impractical to erect such building, the board may cancel the disposition, repossess the land, and return to the party from the special land and development fund, notwithstanding the order of priority set forth, the aggregate amount of principal and interest theretofore paid by the party.

Whenever land under lease can be re-leased or sold for a higher and better use, or for the existing use to a greater economic benefit to the state, and there is a bona fide applicant interested in such release or sale, the board, subject to the consent of the lessee, his successors or assigns, and each holder of record having a security interest, may cancel the prior lease without compensation to the lessee and re-lease or sell the same.

Section -58. **Sales; payment, default.** When the board is authorized to sell, it may do so upon part credit and part cash, the balance to be paid in stated installments, and deliver possession of the premises under an agreement of sale. The rate of interest on such agreement of sale shall not exceed the current rate of interest. Upon payment of the purchase price, plus interest, and upon due performance of the conditions of such sale, the purchaser shall be entitled to a land patent or a deed to the premises.

If any default is made in payment or in the performance or observance of any condition of sale, the sale or agreement of sale shall be forfeited upon notice of default by the board as provided in section 20 of this chapter.

Section -59. **Waiver of restrictions.** (a) Use. Upon application by the owner or patentee, and consent therefor having been given by each holder of record having a security interest, and after a finding that the public interest will be served thereby, the board may amend or waive the conditions restricting the use of lands contained in any agreement of sale, deed or patent upon the condition that the grantee or patentee pay to the board the difference between the fair market value of the land based on its restricted use and the fair market value with the restrictive condition amended or waived. Except for residential lots, the foregoing authority granted to the board shall not be construed to authorize the board to waive the condition subsequent which provides that upon change in use or breach of a condition, the title automatically reverts to the state.

(b) Residential lots. In case of a residential lot, the board may, subject to the consent of each holder of record having a security interest, waive strict adherence to the use thereof for residential purposes, if the owner or lessee desires to utilize part of the land for agricultural purposes together with his residence, provided, that such agricultural use is not inconsistent or contrary to local applicable health or zoning ordinances. Anything in this chapter to the contrary notwithstanding, in case of a residential lot sold in fee simple, all restrictions relating to the use thereof shall expire 10 years after the date of the issuance of the patent or deed by the State or 15 years after the date of the sale by the state, whichever is sooner, provided, that any change in use of the lot after the 10 or 15 years, as the case may be, shall be in accordance with applicable state and county or city and county zoning requirements.

Section -60. **Covenants against discrimination.** The board shall provide in every patent, deed, lease, agreement, license or permit that the use and enjoyment of the premises being granted shall not be in support of any policy which discriminates against anyone based upon race, creed or color. The board shall not dispose of any public land to any person who practices discrimination based on race, creed or color.

### **PART III SPECIAL DISPOSITIONS; SALES AND LEASES PERMITTED WITHOUT PUBLIC AUCTION**

#### **A. CERTAIN AGRICULTURAL USES, INCLUDING SPECIAL LIVESTOCK AND PASTURE.**

Section -61. **Leases, leases with option to purchase, sales permitted; when.** Land intended for disposition as farm lot for truck crops or for horticultural, pasture or special livestock use, may be disposed of by lease, lease with option to purchase, or in fee simple by drawing or lot, without recourse to public auction, notwithstanding any other provision in this

chapter to the contrary; provided, that the right to any values in the land not attributable to these agricultural uses shall be reserved to the state.

Whenever these dispositions are made by drawing or lot, they shall be made only to individuals and then only if the individual, either himself or whose spouse, or both, does not already own lands of comparable use in the state.

Section -62. **Planning.** In addition to the requirements set forth in sections 33 and 34 of this chapter, prior to making these dispositions, the board shall:

(a) Determine the economic feasibility and need for proposed disposition;

(b) Determine the minimum economic unit required for the successful undertaking of the specific use intended, taking into consideration soil fertility, soil condition and availability of water; and

(c) Subdivide the land into economic units and make such improvements as are necessary in conformity with applicable county or city and county zoning and subdivision requirements, including the construction of necessary roads and irrigation facilities.

Section -63. **Restrictions; conditions.** In addition to such other restrictions or conditions that may be established by the board to carry out the purposes of this chapter and of the provisions of the State Constitution, all sale, lease or lease with option to purchase, of a farm lot shall be subject to the following conditions, which shall be covenants running with the land:

(a) The lot shall be used for farm purposes only;

(b) The purchaser or lessee shall reside on the premises granted; provided, that, with the consent of the board, he may live off the premises if his residence is within a reasonable distance therefrom;

(c) The purchaser or lessee shall derive at least one-half of his total annual income from his personal efforts in the production of the crops or products for which production the land is granted to the purchaser or lessee; provided, that this restriction shall not apply if the purchaser or lessee becomes enfeebled or is widowed;

(d) In the case of a lease, those provisions set forth in sections 35, 36 and 37 of this chapter, unless otherwise specifically provided in this section; and

(e) In the case of a fee simple sale, the improvement required and the specific use intended.

(f) For a period of five years after the issuance of a patent or lease, the purchaser or lessee shall not sell, sublet, assign, transfer or in other manner dispose or encumber the whole or any part of the farm lot to any person not qualified to take a farm lot except by way of mortgage, testamentary bequest or devise, intestate succession, or except to a purchaser at or after sale upon the foreclosure of a mortgage.

The violation of any of such restrictions or conditions may be sufficient cause for the board, upon failure of the purchaser or lessee within a reasonable period of time to remedy the default after notice thereof as provided in section 20 of this chapter to take possession of the premises without demand or previous entry and with or without legal process and thereby determine the estate; subject, to the provisions contained in section 21 of this chapter.

Section -64. **Applicants; qualifications of.** A person shall be eligible to apply for a farm if he has the qualifications as follows:

- a. He has been a resident in the State at any time for at least three years ;
- b. He is a bona fide farmer,

- (1) Who has not less than two years' experience as a full-time farmer ;

or

- (2) Who was an owner-operator of an established farm conducting a substantial farming operation and who for a substantial period of his life resided on a farm or depended on farm income for his livelihood ; or

- (3) Who has been a farm tenant or farm laborer or other individual, who has for the two years last preceding his application obtained the major portion of his income from farming operations ; or

- (4) Who has a college degree in agriculture ; or

- (5) Who by reason of ability, experience and training as a vocational trainee is likely to successfully operate a farm ; or

- (6) One who has qualified for and received a commitment for a loan under the Bankhead-Jones Farm Tenant Act as amended, or as may hereafter be amended for the acquisition of a farm ; or

- (7) Any veteran (defined herein as a person who served in the military forces of the United States during any war between the United States and any other nation and who was discharged or released therefrom under conditions other than dishonorable) who intends to engage in farming as a principal occupation. His application shall be entitled to preference over the application of non veterans.

- c. He meets such other qualifications as the board may prescribe pursuant to section 6 of this chapter.

No person shall be entitled to apply for a farm :

- a. Who, or whose husband or wife, has previously taken or held land for farm or homesteading under any certificate, lease or agreement or under any homestead lease or patent based thereon ; or

- b. Who, or whose husband or wife, or both of them, owns in fee simple other land in the State, the combined area of which with the land in question exceeds 80 acres ;

provided, that :

- a. The ownership of a residence lot or tract, not exceeding three acres in area, shall not disqualify any person otherwise qualified from applying for and receiving any form of farm.

- b. Any person who would otherwise qualify to take a farm lot shall not be disqualified by reason of taking, holding or owning land for farm or homesteading or otherwise, if the land so taken, held or owned becomes unusable for the purpose of farming as defined in section 61 of this chapter.

The terms farm and farmer as used herein also means ranch and rancher respectively for the purposes of this section.

Section -65. **Preference right.** Any person otherwise qualified to take a farm lot shall have preference in any drawing for farm lots, if such person :

- a. Is a veteran (defined herein as a person who served in the military forces of the United States during any war between the United States and any other nation and who was discharged or released therefrom under conditions other than dishonorable) ; or

- b. Has, within a period of not longer than five years prior to the filing of his application, been an owner in possession, or a lessee in possession having an unexpired lease term of more than one year, of farm premises which were taken by any governmental authority for any public purpose

and who was displaced by reason of such taking or which became unuseable for farm purposes because such use was declared a public nuisance or was displaced by reason of a natural disaster.

## B. RESIDENTIAL LEASES

Section -66. **Findings and declaration of necessity.** It is hereby found and declared that:

(a) There is a shortage within the state of lands suitable for residential use, available to persons whose incomes and circumstances are such that they do not qualify for or do not require publicly provided low-rent housing accommodations and who are able to secure financing for the construction of their own homes, but who are unable through lack of sufficient financial ability to purchase land in fee simple or to pay the premiums for the rentals under leases offered by private landowners;

(b) This group includes persons whose residential property has been taken for public purposes and who, while they have received the full and fair value of their property, by purchase or condemnation, are unable to replace the property taken with the proceeds paid or other available funds because of the shortage of similar property in the community;

(c) This group also includes those persons who are in low-rent housing accommodations and are discouraged from increasing their annual income for fear that they may forfeit their low-rent public housing;

(d) Experience has demonstrated that when public lands are subdivided and sold in fee simple at public auction, for residential use, the demands for residence property have forced the price of such lands beyond the financial reach of the persons previously mentioned, and that neither the program of opening public lands for sale in fee simple as residence lots, nor the programs for providing low-rent public housing, for urban redevelopment or for urban renewal are adequate or designed to provide the opportunity for such persons to provide themselves with decent, safe, sanitary and uncongested residence accommodations consistent with their financial ability and necessary to provide the environment conducive to promoting their own and their children's good citizenship;

(e) To alleviate this shortage of land suitable for residential use, to promote home ownership on as widespread a basis as possible, and to promote the accomplishment of the purposes of the programs for public low-rent housing, urban redevelopment and urban renewal, including the elimination of slum and other conditions detrimental to the public health, safety and welfare, it is necessary that public lands be made available on terms within the financial means of those residents who, because of the shortage before mentioned, are unable to purchase public or private lands in fee simple or to lease private lands for use for residential purposes. Making public lands available for such purposes, pursuant to the provisions of this Part, is hereby declared to be a public purpose.

Section -67. **Definitions.** As used in this Part, if not inconsistent with the context,

"Residential lease" or "lease" means a residential lease made by the board under the provisions of this Part;

"Lessee" means the lessee under a residential lease and the successors in interest of the lessee;

"Person" means one or more individuals and does not include any partnership, firm or corporation ;

"Appraisers" means one or more, but not more than three, real estate appraisers appointed by the board.

**Section -68. Subdivision, improvement and lease of public lands.** Any public land suitable for residential use, including single-family, multiple-family, apartment, cluster and row housing and situated in a locality suitable for the general type of residential construction anticipated by the board, may be subdivided and improved in accordance with the provisions of this Part ; provided, that any such lands being subdivided for single-family residence shall be subdivided into lots of not less than 5,000 square feet and not more than 15,000 square feet. Such subdivision shall comply with appropriate county or city and county zoning and subdivision requirements ; provided, that the board may put in such other improvements as may be necessary or desirable. The lots in the subdivision may be leased by the board under residential leases without public auction to persons qualified thereunder, without public notice or advertising, other than as required by this Part.

**Section -69. Term, rent and other conditions of residential leases.** Residential lease made by the board may be for an initial term of 55 years with the privilege of extension to meet Federal Housing Administration requirements, provided, the aggregate of the initial terms and extension shall in no event exceed 75 years. It may contain such terms and conditions as the board may in its discretion determine, except that the following shall in any event be complied with in each residential lease :

(a) Rent and taxes. The annual rent shall be not less than an amount representing a fair return on the value of the premises at the inception of the rental period under the lease, which value shall be determined by appraisers. The lessee shall pay all real property taxes, assessments for his prorata share of the costs of the improvements of the tract in which the land is located, and such other charges made against or levied upon his premises. 'Value of the premises' as used in this section shall mean the fair market value of the raw land, including in such value the prorata share of the cost of improvements only if the lessee has not already been assessed or has not already paid his prorata share thereof or if the state has not assumed such costs.

(b) Construction of residence. Each residential lease shall contain requirements that the lessee construct a residence upon the premises, pursuant to plans and specifications approved by the board and using a licensed contractor, within such time and having such minimum value or ground floor rea as may be determined by the board in its discretion.

(c) Use. Upon the completion of improvements upon the premises, the see shall use and occupy the premises as his residence and shall not rent or use for any business purposes the whole or any part of the premises, except with the written consent of the board.

(d) Alienation. Each residential lease shall contain conditions prohibiting the lessee from subletting or parting with the possession of the whole or any part of the premises and from selling, assigning, transferring or otherwise disposing of or encumbering, except by way of mortgage as hereinafter permitted, any interest in the lease or any improvements erected on the premises, except with the written consent of the board.

(e) Right of purchase. Each residential lease shall also state that no right or privilege of purchasing the fee title to the land demised shall be created by the lease, except as provided in section 75 of this chapter, notwithstanding any other provision of the law to the contrary.

(f) Construction and mortgages. Each residential lease shall provide that the lessee may mortgage the lease and improvements only for the purpose of financing the construction of a residence upon the premises or, after the requirement of construction of a residence upon the premises has been fulfilled, for the purpose of financing the purchase of the lease and improvements. Such mortgages shall be made only to recognized lending institutions and may provide for foreclosure and for sale at such foreclosure to any purchaser, without regard to whether the purchaser at the sale is qualified or disqualified to take a residential lease under this Part. The mortgagee's interest in any such mortgage shall be freely assignable.

(g) Mortgage qualification. The foregoing provisions to the contrary notwithstanding, the board is authorized from time to time, upon the issuance of any such lease, to adopt or modify or eliminate any provision contained in sections 66 to 79 of this chapter, to the extent necessary to qualify such lease for mortgage lending or guaranty purposes with the Federal Housing Administration, Federal National Mortgage Association, and Veterans Administration, and their respective successors and assigns.

Section -70. **Qualifications of lessees.** To qualify for a residential lease under this part, the lessee shall:

(a) Be of legal age and have at least one person, related to him by blood or marriage and solely dependent upon him for support, who will occupy the premises with the lessee; provided, that this requirement shall not apply to a husband and wife who are joint lessees, even if both are employed;

(b) Be a citizen and a resident of the state for not less than five years immediately preceding the issuance of the lease;

(c) Have a gross income not in excess of \$6,500 per annum, including the gross income of his spouse. In determining gross income, a \$600 exemption for each of his dependents, as determined by the income tax laws of the state, shall be allowed; and

(d) Have such other qualifications as may be established by the board.

Any person who, after taking a residential lease, through change of circumstances, loses the qualifications initially required of him or becomes disqualified to take a residential lease, shall not thereby be required to surrender his residential lease, but shall be entitled to continue to hold the same.

Section -71. **Persons disqualified to take residential leases.** No person shall be qualified to take a residential lease under this part who, or whose husband or wife, or both of them, (a) has previously taken from or held under the territory or state any certificate of occupation, right of purchase lease, cash freehold agreement, special homestead agreement or homestead lease, or patent based on any of the foregoing, or has previously taken residential lease or patent or deed to any residential lot under this part; provided, that a person who has previously taken from or held under the territory or state or under this part any such certificate, lease, agreement, patent or deed to any land shall not be disqualified, if he has been displaced at any time from such land by governmental authority for any public purpose or by reason of any natural disaster; or (b) owns other land in the state suitable for residential use or; (c) owns other land not suitable for



residential uses if the value thereof exceeds the value of the residence lot applied for; or (d) is the lessee under a lease having an unexpired term of more than five (5) years of other land in the state suitable for residential use and which lease does not prohibit the lessee from using the land for such purposes; or (e) had voluntarily sold or otherwise disposed of, within one year prior to the filing of his application, any land or lease described in (b), (c) and (d).

Section -72. **Preference right to residential lease.** In any drawing to determine the person to whom a residential lease is to be made, preference shall be given to an otherwise qualified person, who :

(a) Has, within a period of not longer than five years prior to the filing of his application for a residential lease, been an owner in possession, or a lessee in possession having an unexpired lease term of more than one year, of residential premises which were taken by any governmental authority for any public purpose and who was displaced by reason of such taking; or

(b) Has been displaced by reason of any natural disaster as defined in section 80 of this chapter.

After the above preference, any person who is a citizen of the United States and who is otherwise qualified shall be given preference over non-citizens.

Section -73. **Transfers of title by bequest, devise, intestate succession or by operation of law, and upon foreclosure.** Notwithstanding the prohibitions contained in section 9 of this chapter, title to a residential lease or to the fee of the premises if purchased by the lessee, and to the improvements upon the premises, may be transferred only by testamentary bequest or devise, intestate succession or otherwise by operation of law. No person, corporation, or agency of government, disqualified under sections 70 or 71 of this chapter to take a residential lease, may succeed to and take title to a residential lease and improvements, except by such transfer or by purchasing at or after a sale upon a foreclosure of a mortgage permitted by this part.

If the lessee purchases the fee as provided in section 75 of this chapter, no person, corporation, or agency of government, disqualified under sections 70 and 71 of this chapter, may, without the express written consent of the board, within the ten year period following the issuance to the lessee of a patent or deed in fee simple to the premises, succeed to and take the fee title to the premises formerly leased, and improvements, except by testamentary bequest or devise, intestate succession, or otherwise by operation of law or by purchasing at or after a sale upon the foreclosure of a mortgage permitted by this part.

Section -74. **Notice; drawing.** No residential lease shall be made unless notice of the board's intention to lease; with such details concerning the intended lease and method of application for the lease as the board deems necessary or desirable, is published as provided in section 16(b) of this chapter. The person entitled to the lease shall be determined by drawing from among the qualified applicants who have submitted evidence satisfactory to the board of loan commitments, still in force, from recognized lending institutions to finance the construction of a residence upon the premises. Only those who are entitled to preference may participate in the drawing, and one of them shall be entitled to the lease of the lot offered, or if more than one lot is offered, they shall have their choice among the lots offered,

according to the numbers drawn by them. If there are more lots than qualified applicants entitled to preference, those without preference may participate in the drawing after all preferred qualified applicants have made their choices. Any lease referred to in the published notice which is not taken upon such drawing may thereafter be leased to any qualified applicant for a residential lease having a loan commitment, still in force, from a recognized lending institution to finance the construction of a residence upon the premises, notwithstanding such person was not an applicant at the date of the drawing, without further publication of notice and without further drawing, if such lease is made within one year of the date of the drawing of which notice was published.

**Section -75. Purchase of fee title by lessee.** At any time after the requirement of construction of a residence upon the premises has been fulfilled and after ten years from the date of the issuance of his residential lease, any residential lessee who is financially able to purchase the fee title to the premises demised to him by his residential lease may, if not in default under the terms of his lease, purchase the fee title at its fair market value determined as of the date of the exercise of his option to purchase. The fair market value shall be determined by appraisers and shall exclude the value of improvements erected by the lessee and shall be determined as if the premises were not subject to the residential lease or to any mortgage made by the lessee. The patent or deed issued upon such purchase shall state that within the ten year period following the date of issuance of the patent or deed, the land or any interest therein shall not, without the written consent of the board, be sold, leased or otherwise transferred to any person disqualified under sections 70 and 71 of this chapter, except, that the lessee may mortgage the premises and improvements, without the board's consent, to recognized lending institutions, which mortgage may be freely assigned by the mortgagee and the fee title sold to any person or corporation or agency of government at or after foreclosure.

**Section -76. Cancellation of leases.** Whenever the board has reason to believe that any term or condition of a residential lease has been violated, it shall give notice to the lessee of the suspected violation as provided in section 20 of this chapter, and shall afford the lessee an opportunity to be heard. If upon such hearing, the board finds that the lessee has violated the terms and conditions of the lease, it may declare the lessee's interest in the lease and improvements forfeited and order the premises to be vacated within a reasonable time. No such forfeiture shall, however, operate to forfeit the interest of any mortgagee in the lease and improvements, and the board shall pay from the Special Land and Development Fund the amount due upon and secured by such mortgage; provided, that such payment need not be made if a new lease of the premises and improvements is made to a new lessee who is willing to assume, and if the mortgagee is willing to accept the new lessee's assumption of, the mortgage and the debt secured thereby.

**Section -77. Surrender of lease.** If at any time the lessee desires to surrender his lease and improvements, the board may accept such surrender and purchase the improvements for their fair market value, as determined by appraisers, with funds from the Special Land and Development Fund, provided, the board has a firm offer from a person, who is qualified to take the residential lease under this part, to take the lease and purchase the improvements for not less than the amount to be paid therefor by the board

and who has a commitment from a recognized lending institution to finance such purchase. Upon acceptance of the surrender and purchase of the improvements, the board shall sell such improvements to that person and make a new lease to him.

Section -78. **Approval by board.** All subdivisions of public lands and premises covered by residential leases, all purchases and sales of improvements erected by lessees upon lots under residential leases, and all purchases of the fee titles to the leasehold premises by the lessees, and all sales of such fee simple titles during the ten-year period following issuance of a patent or deed thereupon to any person not disqualified under sections 70 and 71 of this chapter, shall be subject to approval by the board.

Section -79. **Costs of, and realization from, residential leasing.** The board is authorized to expend from the Special Land and Development Fund sufficient moneys to meet all costs of the planning, development and subdivision of public lands for residential leasing, the sale of residential leases and otherwise to effectuate the purposes of this part, and all realizations from residential leases and the selling of any improvements purchased from lessees shall be paid into the fund.

## C. DISPOSITION TO VICTIMS OF NATURAL DISASTER

### I. DISPOSITION FOR OTHER THAN RESIDENTIAL OR AGRICULTURAL PURPOSES.

Section -80. **Definitions.** As used in this Part III C

(a) 'Disaster area' means an area proclaimed by the governor to be a disaster area;

(b) 'Natural disaster' means any disaster caused by seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake or flood;

(c) 'Person' means an individual (citizen and non-citizen), partnership, corporation, and association.

Section -81. **Purpose.** It is the purpose of this part, in the public interest, to provide for immediate relocation and rehabilitation of disaster victims by making public lands available in the manner hereinafter provided, when a natural disaster strikes the state and devastates large tracts of lands and causes the necessity for immediate relocation of persons from the devastated areas.

Section -82. **Disposition to victims of natural disaster, when.** Notwithstanding any law to the contrary, the board may dispose of public land to victims of a natural disaster by negotiation and without recourse to public auction for purposes other than the personal residences of the victims or for agricultural purposes as hereinafter provided.

To effectuate such disposition for the purpose of relocating victims on to public lands and placing them in circumstances similar to those which existed prior to the natural disaster the board shall:

(a) Subdivide and improve public lands, including the construction of roads, in conformity with applicable county or city and county zoning and subdivision requirements and good planning;

(b) Lease the lands at fair market rental as determined by the board, based on appraisals by at least one but not more than three disinterested appraisers, provided, that the board shall waive rental for the first two years of the term of the lease;

(c) Limit the size of any lot leased under this part in accord with need and use, provided, that such lot shall not exceed four acres of usable land;

(d) Lease only one lot to a person eligible under this part; provided, that if such person owned, leased or occupied another lot in the devastated area which was used for a different purpose, the board may lease a maximum of two lots to such person if there is a different use for each lot;

(e) Include in the instrument of lease, in addition to other terms and conditions, the following:

(1) The lessee, for the first five years of the term of the lease, shall use the leased land for the same business use or undertaking as that in which the lessee was engaged at the time of the natural disaster or for a use approved by the board;

(2) The lessee shall complete the construction of improvements required under his lease within one year from the commencement of the lease, unless the board extends the time of completion, and if the lessee defaults with respect to the construction of such improvements and fails to remedy or cure such default after proper notice thereof as provided in section 20 of this chapter, the board may, at its option, subject to the provisions of section 21 of this chapter, declare a forfeiture of all the right, title, and interest of the lessee in and to the leased land; and

(3) The lessee shall not assign, mortgage or sublet the whole of the leasehold premises, without the prior approval of the board, provided, that the lessee may sublet a part of the leasehold premises without approval of the board.

(4) The lease rental shall be subject to redetermination and renegotiation during the lease term in the manner and at such intervals as the board may specify in the lease.

Section -83. **Option to purchase.** If private land in a disaster area owned by a person leasing public land under this part is condemned or purchased for a public purpose by a governmental agency within the first two years of the term of the lease of such lessee, such person shall have the option to purchase in fee simple the public land leased under this part.

If private land in a disaster area owned at the time of the natural disaster by a lessee under this part is not condemned or purchased for a public purpose by a governmental agency within the first two years of the term of the lease of such lessee, such person shall have the option to purchase in fee simple the public land leased under this part provided that such lessee first offers the board a period of six months in which to exercise an option to purchase in fee simple his private land in the disaster area which he held at the time of the natural disaster. Such offer shall be made to the board by the lessee within thirty calendar days next following the first two years of the term of the lease of the lessee. The lessee shall then have a period of six months next following the board's rejection or exercise of its option in which to reject or exercise his option to purchase such public lands. The acquisition or purchase of such private land in a disaster area by the board under this part is declared to be for a public purpose.

During the period that the board and the lessee are considering their respective options to purchase, the board shall waive the lease rental of the lessee.

Public land under lease shall be sold and such private land of the lessee shall be purchased at fair market value as determined by appraisal as set

forth in section 17 of this chapter. The fair market value shall not include the value of improvements erected by the lessee and shall be determined as if the premises were not subject to the lease or to any mortgage made by the lessee.

Section -84. **Applications.** All applications for a lease shall be filed with the board within three months after the date of the natural disaster, provided, that the board may extend the time for filing applications for an additional period not to exceed three months; this provision of this section to the contrary notwithstanding, the board may accept all applications filed under this part up to June 30, 1962.

Section -85. **Eligibility.** Any person shall be eligible to apply for a lease under this part if he was an owner, lessee or tenant in actual possession of real property in a disaster area and whose business activity or undertaking, not primarily agricultural in character, was substantially destroyed or made unsuitable on or after May 22, 1960, by a natural disaster and whose property or the property on which he is a lessee or tenant was substantially damaged on or after May 22, 1960, by a natural disaster, so as to render the property unfit or economically unfit for the purpose or use made prior to the disaster, provided that an owner or lessor not in actual possession of his property shall not be eligible unless he first fully releases all lessees or tenants from all obligations under his lease or agreement of tenancy.

Any owner or lessee of real property in a disaster area who was engaged in the business of renting homes or apartments shall be deemed an owner or lessee or tenant in actual possession of real property in a disaster area as provided for in this section.

Property shall be deemed unfit or economically unfit for the purpose or use made prior to the disaster when so determined by the board, which determination shall be final, or if any law, ordinance or regulation of any governmental agency prohibits the construction of improvements on land in a disaster area.

The determination by the board as to who is an eligible applicant shall be final.

Section -86. **Notice of availability of leases; selection of lessees.** Notice of availability of land to be offered to qualified applicants for lease shall be by publication in accordance with the same procedure as set forth in section 16(b) of this chapter, but limited to the county in which the land is situated. The notice shall contain, in addition to such other information as the board deems proper, a reference to the qualification of applicants, a brief description of the land to be leased, its locality, area, and quality, with reference to the survey, and the date by which applications must be filed for a lease of the land. The board shall, as soon as practicable following the closing date for applications, review the qualifications of the applicants, determine their respective needs, fix the terms, covenants, and conditions of leases to be issued, as more particularly provided in section 82 of this chapter, and, within the limits of availability of the land for which notice has been published, issue leases to selected applicants.

Section -87. **Existing public leases.** Where a person has an unexpired lease, including a residential lease, of public land damaged by a natural disaster and rebuilding on such land is not prohibited, the board may negotiate an extension of such lease to make it economically feasible to rebuild, or may, by mutual agreement with the lessee and the holder of record

having security interest, cancel the unexpired term of such lease and negotiate a new lease with such person.

## II. DISPOSITION OF PUBLIC LANDS FOR RESIDENTIAL PURPOSES TO VICTIMS OF ANY NATURAL DISASTER

Section -88. **Authorization.** The board may dispose of by sale, lease, or lease with option to purchase, public land through drawing by lots and without recourse to public auction to persons dispossessed or displaced as a result of a natural disaster, as determined by proclamation of the governor, under the following terms and conditions:

(a) The department shall subdivide and improve, including roads, the land to be disposed of;

(b) Such land shall be sold at fair market value or leased at fair market lease rental, as determined by appraisal, based on the land as improved;

(c) The instrument of conveyance or lease shall contain, in addition to the usual terms, the restriction that the land shall be used only for residential purposes for a period of ten years following the date of the conveyance or lease, which restriction shall be a covenant running with the land and enforceable by the board or by any surrounding owner or lessee of public land that is subject to the same restriction;

(d) If the purchaser or lessee decides to sell, lease or sublease the land within ten years from the date of the conveyance or lease, the board shall have the first option to repurchase the interest of the purchaser or lessee at fair market value. In the event the land is acquired by the Federal Housing Administration, pursuant to a contract of mortgage insurance, or is anywise acquired by the Small Business Administration, Federal National Mortgage Association, Veterans Administration, or any bank, or savings and loan institution chartered to do business in the state or by the federal government, this restriction shall be null and void during the period of such ownership, and, to this extent, the board may waive any rights accruing to the state contained in any deed, land patent, sales agreement or lease made pursuant to this part;

(e) The size of any lot sold under the provisions of this part shall not exceed two acres; and

(f) A person eligible under this part may draw one lot for his property destroyed by natural disaster.

Section -89. **Persons dispossessed or displaced.** For the purposes of this part a person dispossessed or displaced by natural disaster means any owner of land in possession or any lessee or tenant of land in possession, who has used the property for residence purpose immediately prior to the date the property was destroyed by natural disaster, and the property so destroyed is deemed unfit for residence purpose. Such persons may purchase or lease public lands under the provisions of this part.

Section -90. **Disposition to governments and governmental agencies; compromises.** Notwithstanding any limitations to the contrary, the board may, without public auction:

(a) Sell public lands at a reasonable price to governments, including the United States, city and county, counties, and other-governmental agencies authorized to hold lands in fee simple;

(b) Lease to such governments and agencies public lands for terms up

to, but not in excess of, sixty-five (65) years at such rental and on such other terms and conditions as the board may determine;

(c) Grant licenses to such governments and agencies on such terms and conditions as the board may determine for road, pipeline, utility, communication cable and other rights of way;

(d) Exchange public lands with such governments and agencies; and

(e) Execute quitclaim deeds to such governments and agencies, with or without consideration, releasing any claim to the property involved made upon disputed legal or equitable grounds, whenever the board in its discretion deems it beneficial to the state.

**PART IV. RELATING TO EXISTING HOMESTEAD RIGHTS;  
CONTINUATION THEREOF AND REMOVAL OF  
CERTAIN RESTRICTIONS.**

Section -91. **Definition.** As used in this Part:

'Cash freehold' means a right of possession to land under an agreement called a freehold agreement under the provisions of section 73 of the Hawaiian Organic Act, as amended:

'Certificate of occupation' means an instrument preliminary to a homestead lease, giving the applicant possession of land;

'Freeholder' means a person holding land under a freehold agreement;

'Homestead lease' means a lease of land made for a term of nine hundred and ninety-nine years, under provisions of law which were repealed by section 3 of Joint Resolution 12, Session Laws of 1949, ratified by the Congress of the United States by the Act of September 1, 1950 (64 Stat. 572);

'Occupier' means a person entitled to the possession of land under a certificate of occupation.

Section -92. **Release of restrictions.** It being in the public interest, all public land for which any certificate, lease, agreement or patent has heretofore been issued imposing restrictions against alienation and forfeiture provisions prescribed by Public Law 192, 61st Congress, 2d Session, 36 Stat. 444 (1910), and Public Law 234, 76th Congress, 1st Session, 53 Stat. 1126 (1939), (section 73(g) and 73(h) of the Hawaiian Organic Act), be and the same is hereby wholly released from such restrictions and provisions; provided, however, nothing herein contained shall be construed to defeat or in any way impair the interest of any mortgagee or holder of record having a security interest or owner of vested rights in and to the public land affected by the release aforesaid. Though no form of documentation shall be required to effect the release provided by this section, the board is authorized to issue to any owner of such land affected by said release, upon payment of such documentary fees as may be provided by the board, an appropriate certificate of release suitable for recording.

Section -93. **Continuation of rights under existing homestead leases, certificates of occupation, right of purchase leases and cash freehold agreements.**

(a) Issuance of land patents to occupier or lessee of homestead lands. A fee simple patent shall be issued to every existing occupier under a certificate of occupation issued heretofore, and to every lessee under a nine hundred and ninety-nine year homestead lease issued heretofore, of public lands, where such lands have been improved under such certificate or lease, or have been used as a place of residence by such occupier or lessee for an

aggregate continuous period of not less than ten years upon payment to the board of a fair market price, disregarding the value of the improvements made by the occupier or lessee, which price shall be determined by appraisal as provided for in this chapter; provided, that the board may exclude from such patents areas required as roadways to other lots.

(b) Issuance of patent, lessee of right of purchase lease. The Lessee of any existing right of purchase lease shall, at such time and under such conditions as are contained in said lease, be entitled to a land patent from the board conveying to him a fee simple title to the land described in his lease upon the payment of the fair market price of the land as determined by appraisal as provided for in this chapter, provided the lessee has reduced to cultivation twenty-five per cent of the premises and has resided thereon not less than two years and has substantially performed all other conditions of his lease.

(c) Cash freeholds, agreement, patent, conditions. At the end of three years from the date of the payment of the first installment, the holder of a freehold agreement is entitled to a land patent for the premises described therein, if the following conditions, in addition to those set forth herein, have been substantially performed:

(1) Payment of the balance of the purchase price in equal installments, in one, two and three years respectively, from the date of the freehold agreement with interest annually at the rate of four percent; provided, that the freeholder may pay such installment before it is due, and thereby stop the corresponding interest;

(2) Cultivation of not less than twenty-five percent of the area of the premises, and the planting and care of not less than an average of ten timber, shade or fruit trees per acre, if agricultural land, at any one time before the end of the third year, or fencing in the same if pastoral land within such time; provided, that if the premises are classed as pastoral-agricultural land, the foregoing alternative conditions shall apply respectively to the two kinds of land;

(3) Maintenance by the freeholder of his home on the premises from the end of the first to the end of the third year;

(4) Conditions for the prevention of waste, the planting of trees or the protection of trees growing or to be planted on such premises, or for the destruction of vegetable pests that may be on such premises or the prevention of the future introduction of such pests thereon;

(5) Payment of all taxes that may be due on account of the premises.

The holder of a freehold agreement shall allow the land agents to enter and examine the premises at all reasonable times to see that the conditions are being performed. He shall not assign or sublet, conditionally or otherwise, his interest or any part thereof, under the freehold agreement, without the written consent of the board indorsed on such agreement; and provided, further that freeholders having the whole interest in a freehold agreement may at any time when all the conditions thereof to be performed by the freeholder up to such time shall have been substantially performed, surrender to the government such interest by delivery of the freehold agreement to the land agent with the intention to surrender the same clearly indorsed thereon, and signed by them and duly attested. Such surrender shall release the freeholders from all further duty or performance of the conditions of the instrument surrendered. But no such surrender shall be permitted if any such free-



holders are under the age of eighteen years unless such minors are represented by statutory guardians; and provided, further, that any freeholder over the age of eighteen may assign his interest to his cotenants;

(d) Right of purchase lease; termination, forfeiture or surrender. Upon the termination of a right of purchase lease by lapse of time, or upon the forfeiture or surrender of such lease or a freehold agreement, the board may in its discretion and within the limit of its authority open the premises or any part thereof for disposition in the manner or for such uses as provided in this chapter. Before such disposition the fair market value thereof shall be established by appraisal. The value attributable to the improvements in the appraisal shall be paid to the surrendering lessees or freeholders, upon resale of the premises, and the director of the budget shall pay the amount of such valuation upon the requisition of the board out of such funds.

(e) Interests, descent; certificate of occupation or homestead lease. In case of the death of any occupier or lessee under an existing certificate of occupation or existing homestead lease, all the interest of such occupier or lessee, any conveyance, devise or bequest to the contrary notwithstanding, in land held by the decedent by virtue of such certificate of occupation or homestead lease shall vest in the relations of the decedent as follows:

- (1) In the widow or widower;
- (2) If there is no widow or widower, then in the children;
- (3) If there are no children, then in the widows or widowers of the children;
- (4) If there are no such widows or widowers, then in the grandchildren;
- (5) If there are no grandchildren, then in the father;
- (6) If there is no father, then in the mother;
- (7) If there is no mother, then in the brothers and sisters;
- (8) If there are no brothers and sisters, then in the widows or widowers of the brothers and sisters;
- (9) If there are no such widows or widowers, then in the nephews and nieces;
- (10) If there are no nephews or nieces, then in the widows or widowers of the nephews and nieces;
- (11) If there are no such widows or widowers, then in the grandchildren of the brothers and sisters;
- (12) If there are no grandchildren of any brother or sister, then in the state.

All such successors, except the state, shall be subject to the performance of the unperformed conditions of the certificate of occupation, or the homestead lease, in like manner as the decedent would have been subject to such performance if he had continued alive; provided, that if a widow or widower in whom such interest shall have vested as aforesaid, shall thereafter marry again and decease leaving a widower or widow and a child or children of the first marriage surviving, the interest of the deceased shall vest in such child or children; and further provided, that in case two or more persons succeed together to the interest of any occupier or lessee, according to the foregoing provisions, they shall hold the same by joint tenancy so long as two or more shall survive, but upon the death of the last survivor, the estate shall descend as provided above.

(f) Option of cotenant to compel others to buy or sell. In case two or more persons become cotenants under any existing right of purchase lease, certificate of occupation or homestead lease by inheritance or otherwise, any

one or more of such persons less than the whole number may file in the office of the land agent an offer to the remainder of such persons to buy their interest in the premises or to sell them their own interest therein at a stated price according to the proportion of the respective interest in question, and may deposit with the land agent the amount of the offered price in money, with a fee of \$10. The land agent shall thereupon notify the persons to whom the offer is made of the nature of the offer and order them to file with him their answer within sixty days whether they will buy or sell according to the offer. If the persons to whom the offer is made file with the land agent within sixty days of the time of their receiving the notification, their answer stating that they will sell their interest according to the terms of the offer, the land agent shall indorse the fact of the sale with the amount of the consideration on the lease and pay to such persons the amount of the consideration deposited with him according to their individual interest; and the interest of such persons shall thereupon vest in the persons making the offer. The fact of the transfer shall be properly recorded in the official records of the land agent and indorsed upon the lease held by the lessee.

If, however, the persons to whom the offer is made fail to answer within sixty days from the time of their being notified of the offer or within sixty days from the time the notice of the offer mailed to their last known place or places of abode, or shall answer within sixty days that they will buy the interest of the persons making the offer on the terms offered, but fail within sixty days after the notification to deposit the amount representing the value of such interest according to the terms offered, their interest shall vest in the persons making the offer and the amount of the consideration shall be paid by the land agent to them individually or their respective representatives upon application. In such case the fact of the transfer shall be recorded and indorsed as above provided.

In the event that any funds held by the land agent hereunder may not be paid to the persons to whom properly payable, because of the inability of the land agent to locate such persons, such funds shall, after the expiration of one year, be deposited in the department of budget and review of the state and there abide the claim of any person thereto lawfully entitled; provided, that no claim to such funds shall be allowed unless such claim is made within five years after such deposit. Payment of any claim duly filed may be made if the department of budget and review and board concur in finding such claim valid and proper, but if the claimant fails to obtain concurrency of the department of budget and review and board within sixty days of the filing of his claim, he may present a petition to the circuit court of the first judicial circuit in that behalf, notice whereof shall be given to the attorney general, who may appear and defend on behalf of the state, and if the court renders a judgment in favor of such claimant, the department of budget and review shall pay the amount due without interest.

But if the persons to whom the offer is made shall, within sixty days from the time of the notification, make answer to the land agent that they will buy the interest of the offering parties and shall deposit within sixty days with him the amount required for the purpose according to the terms of the offer, the land agent shall indorse and record the fact of the sale as above provided, and pay to the offering parties the amount according to their individual interest; and the interest of the offering parties shall thereupon vest in the answering parties. In such case the consideration money deposited by the offering parties shall be returned to them.

(g) Forfeiture; existing certificate of occupation or homestead lease. The violation of any of the conditions of any existing certificate of occupation or homestead lease shall be sufficient cause for the board upon failure of the occupier or lessee within a reasonable period of time to remedy the default after notice thereof in the manner provided in section 20 of this chapter to take possession of the demised premises without demand or previous entry, with or without legal process, and thereby, subject to the provisions of section 21 of this chapter, terminate the estate created.

(h) Forfeiture; cash freeholds. In the case of default in the payment of any of the installments due on any cash freehold agreement for thirty days after the same are due, or failure of performance of any other conditions, the board may take possession of such premises, upon failure of the freeholder within a reasonable period of time to remedy the default after notice thereof in the manner provided in section 20 of this chapter without demand or previous entry, with or without legal process, and thereby subject to the provisions of section 21 of this chapter, terminate the estate created.

SECTION 3. Repeal of prior laws and exceptions. All statutes in force immediately prior to the effective date of this Act, relating to the management and disposition of public lands, are hereby repealed; except, the following:

- (a) Act 21, Session Laws, First Special Session of 1959.
- (b) Act 6, Session Laws of 1961.

SECTION 4. Preservations of rights and liabilities. The repeal shall not affect any act done, ratified or confirmed or any right accruing or accrued or established, or any action, suit or proceedings had or commenced in any civil cause, prior to the repeal, and all rights and liabilities under any statute embraced in or repealed by this Act shall continue and may be enforced in the same manner and with the same effect as if the repeal had not been made.

SECTION 5. Application of statutes of limitations. No statute of limitations, whether applicable to civil causes or proceedings, or to the prosecution of offenses, or for the recovering of penalties or forfeiture, embraced in, or repealed by this Act shall be affected thereby, and all suits, proceedings and prosecutions, whether civil or criminal, for causes arising or acts done or committed prior to the repeal may be commenced and prosecuted with the same effect as if the repeal had not been made.

SECTION 6. Preservation of penalties for offenses, etc. The repeal shall not affect any offense committed or any punishment, penalty or forfeiture incurred, prior to the repeal, under any statute embraced in or repealed by this Act, and every such offense may be prosecuted and punished, and every punishment, penalty or forfeiture imposed and enforced, in the same manner and with the same effect as if the repeal had not been made.

SECTION 7. Special Funds Abolished. All special land funds heretofore created and presently existing are hereby abolished, and all sums therein are hereby transferred to the Special Land and Development Fund created by this Act; provided, that all expenditures heretofore authorized by law to be made from such funds which are abolished by this section may continue to be made in accordance with such law, except that all such future expenditures shall be made from the Special Land and Development Fund.

SECTION 8. Tenure of Present Members of the Board Continued. The members of the board who have been duly appointed by the Governor and confirmed by the Senate, shall continue in office to serve out their respective

terms for which they were appointed; except that the director, after the effective date of this Act, shall no longer be a voting member of the board, nor shall there be any non-voting ex-officio members.

SECTION 9. Severability. The provisions of this Act are declared to be severable and, if any word, sentence or section of this Act or the application thereof to any person, circumstance or property is held invalid for any reason, the validity of the remainder of this Act or the application of such portion to other persons, circumstances or property shall not be affected.

SECTION 10. Effect of Act. The enactment of this Act shall not affect or repeal any Act passed at this session of the legislature prior to the date of the taking effect of this Act, but in so far as such Acts vary from or conflict with any provision contained in this Act, they shall be deemed amended hereby.

SECTION 11. Effective Date. This Act shall take effect upon its approval.

(Approved June 12, 1962.) H.B. 244.

**TABLES SHOWING EFFECT  
OF ACTS**



**GENERAL INDEX**

**TABLES SHOWING EFFECT OF ACTS  
FIRST LEGISLATURE, REGULAR SESSION OF 1962  
STATE OF HAWAII**

**Key:**

Am — Amended  
R — Repealed  
N — New Section

— Section numbers to be inserted  
by Revisor of Statutes in the  
Cumulative Supplement to the  
Revised Laws of Hawaii 1955

**A. SECTIONS OF REVISED LAWS OF HAWAII 1955 AFFECTED**

R.L.H. 1955 Sections	Effect	Act No.	R.L.H. 1955 Sections	Effect	Act No.
1-51	Am	28	106C- —	N	12
2-20	Am	1	106C- —	N	12
4-9	Am	28	106C-5	Am	12
4-10	Am	28	106C-7	Am	12
4A-2	Am	28	106C-10	Am	12
6- —	N	20	106C-11	Am	12
6-42	Am	20	108-15	Am	6
6-45	Am	20	108-33	Am	6
6-250	Am	29	108-36	Am	6
7B- —	N	5	117-14(a), (b)	Am	27
7B-1	Am	5	123-3	Am	23
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11- —	N	3	131E-4	Am	22
14A-7	Am	28	131E-7	Am	22
15-10	Am	24	138- —	N	2
15-12	Am	24	138- —	N	17
38- —	N	28	146-2	Am	28
38- —	N	28	147-1	Am	28
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38-30	Am	28	149-7	R	17
38-31	Am	28	149-54	R	28
38-34	R	28	149-55	R	28
38-34.5	Am	28	160-9	Am	10
38-35	Am	28	170A-2	Am	9
38-38	Am	28	170A-3	Am	9
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50-23	Am	28	170A-32	Am	9
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98M-4	Am	26	220-6	Am	28
98M-6	Am	26	220-8	Am	28
104- —	N	25	260-18	Am	8
104-15	Am	25			

**B. SESSION LAWS OF HAWAII AFFECTED**

		Act No.			Act No.
	Effect			Effect	
<b>Laws 1959</b>			<b>Laws 1961</b>		
<b>Regular Session</b>			<b>Regular Session (continued)</b>		
245, s. —	N	5	121, s. 2	Am	12
245, ss. 1, 2, 5	Am	5	159, s. 1	Am	21
<b>Laws 1959</b>			173, ss. 4, 7	Am	22
<b>2d Sp. Session</b>			175, s. 12	Am	29
1, s. 44	Am	28	180, s. 2	Am	9
<b>Laws 1961</b>			181, ss. 4, 5	R	20
<b>Regular Session</b>			182, s. 7	Am	28
60, s. 1	Am	7	185, ss. 4, 6	Am	26

**C. SECTIONS OF HAWAIIAN HOMES COMMISSION ACT  
1920 AFFECTED**

Sections	Effect	Act No.	Sections	Effect	Act No.
214	Am	14	216	Am	14
215	Am	14, 18	219.1	N	14

**D. SECTIONS OF HONOLULU CITY AND COUNTY  
CHARTER AFFECTED**

Sections	Effect	Act No.	Sections	Effect	Act No.
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