

ACT 255

A Bill for an Act Relating to Wasteland Development.

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

SECTION 1. Statement of Policy. It is the intent and purpose of the legislature that by encouraging the development of wasteland:
(1) lands which are unproductive will be put to productive use;

- (2) the economic development of the State will be hastened; and
- (3) the tax base will be broadened.

SECTION 2. Definitions. When used herein:

- (a) "Department" means the department of taxation;
- (b) "Director" means the director of the department of taxation;
- (c) "Wasteland" means land which is classified as such by the director of the department of taxation; and
- (d) The term "owner" shall include any person leasing the real property of another under a lease having a stated term of not less than thirty years.

SECTION 3. Eligibility. Any property of not less than 25 acres in area is eligible for classification as wasteland development property if it meets the classification requirements of wasteland property as established by the director. No real property under a lease having an unexpired term of less than thirty years shall be eligible for classification as wasteland development property.

SECTION 4. Application. The owner of any property may apply to the director for classification of his land as wasteland development property. The application shall include a description of the property, the manner in which the property will be developed, and such additional information as may be required by the director. Such application shall state that all persons having any interest in or holding any encumbrance upon the property have joined in making the application and that all of them will comply with the laws and regulations relating to the use, building requirements and development of the real property.

SECTION 5. Classification. Within four months after the filing of the application with the director, the director shall make a finding of fact as to the eligibility of such land for classification as wasteland development property, whether it can be developed in the manner specified by the owner, whether such development will add to the development of the economy of the State, and whether such development will broaden the tax base of the State. Such determination shall be based upon all available information on soils, climate, land use trends, watershed values, present use of surrounding similar lands, and other criteria as may be appropriate.

Upon the finding by the director that the property is eligible for classification as wasteland development property, that it can be developed in the manner specified by the owner, that such development will add to the economy of the State and that it will broaden the tax base of the State, the property shall be classified as wasteland development property. If the director finds it otherwise for any one of the above criteria, the application shall be disapproved.

The applicant may appeal any disapproved application as in the case of an appeal from an assessment.

Land classified as wasteland development property shall be administered by the department and the department may from time to time

make rules and regulations for their administration pursuant to the provisions of chapter 6C, Revised Laws of Hawaii 1955, as amended.

SECTION 6. Development and maintenance of wasteland development property. Within one year following the approval of the application, the owner shall develop that portion of his land as specified in his application and as approved by the director. Additional areas shall be developed each year as prescribed by the director.

SECTION 7. Special Tax Assessment. Any property classified as wasteland development property by the director shall be, for a period of five years, assessed for real property tax purposes at its value as wasteland. The five year period shall commence from January 1 of the year following the approval of the application.

SECTION 8. Declassification. Thirty days after notification to the owner by the department for noncompliance of any law, ordinance, rule or regulation, the director may declassify any land classified as wasteland development property. The department shall notify the owner of such declassification and in that event, the director shall cancel the special tax assessment provided in section 7 retroactive to the date that the property qualified for special tax assessment and the difference between the real property taxes that would have become due and payable but for such classification for all the years the land was classified as wasteland development property and the real property taxes paid by the owner during such period shall become immediately due and payable together with a five per cent per annum penalty from the respective dates that such additional tax would otherwise have been due.

SECTION 9. Appeals. Any person aggrieved by the additional assessment for any year may appeal from such assessment in the manner provided in the case of real property tax appeals.

SECTION 10. This Act shall take effect on January 1, 1966.
(Approved July 9, 1965.) **S.B. 261.**