

ACT 184

S. B. NO. 1706-70

A Bill for an Act Relating to Public Lands.

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

SECTION 1. Section 171-45, Hawaii Revised Statutes, is hereby amended to read as follows:

“Sec. 171-45. Residence lots; sale or leases. The board may dispose of public land for personal residence purposes (1) by sale in fee simple or lease at public auction as provided in sections 171-14 and 171-16, or (2) by sale or lease of lots by drawing as provided in sections 171-15 and 171-16.”

SECTION 2. Sec. 171-48, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 171-48. Residence lots, requirements. In the disposition of lots for residence purposes:

- (1) No person shall purchase or lease, directly or indirectly through an agent, nominee, third person, or otherwise, any interest in more than one lot.
- (2) 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.
- (3) The board of land and natural resources shall require the lessee or purchaser to construct, within three years after disposition, a dwelling of such size and value as shall be prescribed by the board and to use the lot and dwelling as his principle domicile.

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- (4) The board shall establish such additional restrictions, requirements or conditions in accordance with the powers granted to it in section 171-6 (6).
- (5) No person shall be eligible to purchase or lease any lot by drawing if his gross income including the gross income of his spouse exceeds \$20,000 per year. In determining gross income, the standard income tax exemption for each of his dependents, as determined by the income tax laws of the State, shall be allowed.
- (6) No person shall be qualified to purchase or lease any lot who, or whose spouse, or both of them, owns or is a lessee, under a residential lease for a term exceeding twenty years (including any periods for which the lease may be extended or renewed at the option of the lessee), of land suitable for residential use.

SECTION 3. Section 171-49, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 171-49. Residence lots; unsold; forfeited; surrendered. Any lot not sold or leased at public auction or drawing, or sold or leased and forfeited, or surrendered after sale or lease with the consent of the board of land and natural resources, which consent is authorized, may, subject to section 171-21, be disposed of by the board as follows:

- (1) The board shall hold the 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.
- (2) Upon the expiration of thirty days, if not more than one person has applied for the lot, the board may dispose of 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.
- (3) If more than one person has applied for the lot, or if there are more applicants than available lots, upon the expiration of thirty days, the board shall by sale or lease dispose of the lot or all of the available lots, as the case may be, at drawing as provided in section 171-15 or at public auction as provided in sections 171-14 and 171-16, at the prior upset price or, if the drawing or public auction is held more than six months after the date of the prior drawing or public auction, at the upset price fixed by a reappraisal.”

SECTION 4. Subsection 171-50(a) Hawaii Revised Statutes, is amended to read as follows:

“Sec. 171-50. Exchanges. (a) Purpose. No exchange of public land for private land shall be made except for public purposes, including, but not limited to (1) consolidation of holdings of public lands; (2) straightening of boundaries of public lands; (3) acquisition of adequate access for landlocked

public lands which have development potential; or (4) acquisition of lands suitable for residential use. Exchanges shall be effected without public auction. Public notice of any proposed exchange shall be given in accordance with the applicable provisions set forth in section 171-16(d). All private lands conveyed to the State by way of exchanges shall thereafter become public lands.”

SECTION 5. Section 171-74, Hawaii Revised Statutes, is amended to read as follows:

“**Sec. 171-74. Qualifications of lessees.** To qualify for a residential lease under this part, the lessee shall:

- (1) 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;
- (2) Be a citizen and a resident of the State for not less than five years immediately preceding the issuance of the lease;
- (3) Have a gross income not in excess of \$20,000 a year, including the gross income of his spouse. In determining gross income, the standard income tax exemption for each of his dependents, as determined by the income tax laws of the State, shall be allowed; and
- (4) Have such other qualifications as may be established by the board of land and natural resources.

Any person who, after taking a residential lease, through change or 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 6. Part II C of chapter 171, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“**Sec. 171- . Resale, first offer to board; limitation on resale price.** (a) Any lot sold or leased for residential use pursuant to this part shall not be sold or transferred again by the purchaser, his executor, or his heirs for a period of ten years from date of disposition unless he first offers the land or lease and improvements for sale and surrender to the board in accordance with the provisions of section 171-17(c) or section 171-81, as the case may be.”

SECTION 7. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

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

(Approved June 30, 1970.)

* Edited accordingly