

ACT 236

H.B. NO. 1268

A Bill for an Act Relating to Public Lands.

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

SECTION 1. The legislature finds that the nine-hundred-ninety-nine-year homestead program is becoming increasingly difficult to manage, because conflicts often arise between family members who may have an interest in a nine-hundred-ninety-nine-year lease. Existing leases are unique because they can be assigned only to members of the lessee's family.

The purpose of this Act is to expand the eligibility of potential assignees of a homestead lease to include trustees of land trusts created for the purposes of managing and holding a homestead for the benefit of the lessee and lessee's family members.

SECTION 2. Section 171-99, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) ~~[Assignment;]~~ Transfer or assignment; certificate of occupation or homestead lease. No existing certificate of occupation or existing homestead lease, or fractional interest thereof, shall be transferable or assignable except by conveyance, devise, bequest, or intestate succession and with the prior approval of the board of land and natural resources; provided that transfer or assignment by conveyance, devise, or bequest shall be limited to a member or members of the occupier's or lessee's family~~[-]~~ or in the case of a homestead lease, to any person or persons designated as a trustee of a land trust.

For the purposes of this section~~[-“family”]~~:

“Family” means the spouse, reciprocal beneficiary, children, parents, siblings, grandparents, grandchildren, nieces, nephews, a parent's siblings, children of a parent's siblings, and grandchildren of a parent's siblings, of the occupier or lessee.

“Land trust” means a trust created for the purposes of managing and holding the homestead leasehold estate for the benefit of the lessee and lessee's family members. The lessee may be the trustee of the trust.

All the successors shall be subject to the performance of the unperformed conditions of the certificate of occupation or the homestead lease.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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

(Approved June 27, 2013.)