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
ployers. For their taxes to be 
would be a drastic tax increase 
that this measure be approved 
vs of Hawaii 1955, as amended 
respect: hereafter" in the first sentence 
comma: 
igraph (c) thereof to read: 
year shall be less than the 
and of the end of the previous 
average of the total annual 
quarters; provided, that any 
Social Security 
expenses of administration 
the following new paragraph: 
this chapter which, if imme­ 
ss otherwise provided by such 
upon its approval.

commission Act to Permit Loans 
Agricultural Produce.

the Constitution of the State 
the public interest; and 
s that no urgency measure shall 
section shall have been first 
legislature to enact this as an 
of Article III; now, therefore. 
red 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, 
herbicides 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, herbicides, 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 agricul­
tural 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 subsection (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 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 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.
in 209 (1), the amount of any such mortgage on the deceased lessee, or to the successor or successors, without limitation; provided, further, that in case of a lease by the Commission, or the successor or successors to the tract involved, such appraisal to be made at any time within five years of the date of such appraisal, or within five years of the date of any loan. 

The Commission shall, in any case, permit the successor or successors to the tract to assume the contract of loan (1) of this section. In case of the death or the surrender of a lease by the Commission, or the death or surrender of a lessee, or the death of a lessee or lessees, the payment of which has been assured by the Commission, of all monies 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, with the concurrence therein of the lessee or lessees or lyees, as the case may be, be postponed in whole or in part as it deems good and sufficient lyeases. Such postponed payments of interest and principal per

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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, and may cancel, wholly or in part, until such time as the Commission determines, the lien or the surrender of a lease by the Commission, or the death or surrender of a lessee, or the death of a lessee or lessees, the payment of which has been assured by the Commission, of all monies 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.”

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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.

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.