The common people were merely tenants at will, liable to be disposed of at any time, and even to be stripped of their personal property at the will of their chiefs.

Laws were passed in 1839 and 1840 to prevent evictions without cause and the wanton seizure of the property of tenants.

The King and chiefs resolved to divide and define the shares which each held in undivided shares of the lands of the Kingdom. The following rules were noted by the privy council December 18, 1847:

Whereas it has become necessary to the prosperity of our Kingdom and the proper physical, mental, and moral improvement of our people that the undivided rights at present existing in the lands of our Kingdom shall be separated and distinctly defined;

Therefore, We, Kamehameha III, King of the Hawaiian Islands, and his chiefs, in privy council assembled, do solemnly resolve that we will be guided in such division by the following rules:

1. His Majesty, our most Gracious Lord and King, shall, in accordance with the constitution and laws of the land, retain all his private lands as his own individual property, subject only to the rights of the tenants, to have and hold to him, his heirs and successors forever.

2. One-third of the remaining lands of the Kingdom shall be set aside as the property of the Hawaiian Government, subject to the direction and control of His Majesty as pointed out by the constitution and laws, one-third to the chiefs and konohikis in proportion to their possessions to have and to hold, to them, their heirs and successors forever, and the remaining third to the tenants, the actual possessors and cultivators of the soil, to have and to hold, to them, their heirs and successors forever.

3. The division between the chiefs or the konohikis and their tenants, prescribed by rule 2d, shall take place whenever any chief, konohiki, or tenant shall desire such division, subject only to confirmation by the King in privy council.

4. The tenants of His Majesty's private lands shall be entitled to a fee-simple title to one-third of the lands possessed and cultivated by them; which shall be set off to the said tenants in fee simple whenever His Majesty or any of said tenants shall desire such division.

5. The division prescribed in the foregoing rules shall in no wise interfere with any lands that may have been granted by His Majesty or his predecessors in fee simple to any Hawaiian subject or foreigner, nor in any way operate to the injury of the holders of the unexpired leases.

6. It shall be optional with any chief or konohiki, holding lands in which the Government has a share, in the place of setting aside one-third of the said lands as Government property, to pay into the treasury one-third of the unimproved value of said lands, which payment shall operate as a total extinguishment of the Government right in said lands.

7. All the lands of His Majesty shall be recorded in a book entitled "Register of the lands belonging to Kamehameha III, King of the Hawaiian Islands," and deposited with the registry of land titles in the office of the minister of the interior; and all lands set aside as the lands of the Hawaiian Government shall be recorded in a book entitled "Register of the lands belonging to the Hawaiian Government," and fee-simple titles shall be granted to all other allottees upon the award of the board of commissioners to quit land titles.

The division between the King and his chiefs was settled by a committee March 7, 1848. The book containing a record of this division also contains releases signed by the several chiefs to the King, of the lands they surrendered, and releases by the King to the several chiefs of his feudal rights in the land remaining to them as their shares.

These formal awards were made, after evidence of title, which could be converted into alodial title by payment of the consideration provided for in rules 6 and 7, above cited.

On the 8th of March, 1848, the King set apart for the use of the Government the larger part of his royal domain, specified by name, and reserved the residue for himself, his heirs, and successors. On June 7, 1848, the legislative council passed an act confirming and ratifying what had been done by the King.

In 1850 most of the chiefs ceded a third part of their lands to the Government to obtain an alodial title. This was accepted by the privy council the same year.