

STAND. COM. REP. NO. 1527

Honolulu, Hawaii

APR 02 2025

RE: H.B. No. 126
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 126, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROPERTY FORFEITURE,"

begs leave to report as follows:

The purpose and intent of this measure is to make the State's civil asset forfeiture process more just.

Specifically, this measure:

- (1) Increases transparency and accountability surrounding property forfeiture;
- (2) Restricts civil asset forfeiture to cases involving the commission of a felony offense where the property owner has been convicted of the underlying offense;
- (3) Directs any forfeiture proceeds to the general fund;
- (4) Amends the allowable expenses for moneys in the criminal forfeiture fund;
- (5) Requires the Attorney General to adopt rules necessary to carry out the purposes of the Hawaii Omnibus Criminal Forfeiture Act; and



- (6) Repeals language that requires the Hawaii Omnibus Criminal Forfeiture Act to be construed liberally.

Your Committee received written comments in support of this measure from the ACLU of Hawaii, Community Alliance on Prisons, Grassroot Institute of Hawaii, and one individual.

Your Committee received written comments in opposition to this measure from the Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Maui County Department of the Prosecuting Attorney, and one individual.

Your Committee finds that the civil asset forfeiture process allows law enforcement agencies to seize and keep property based on suspicion that the property is connected to criminal activity. Property, such as vehicles, houses, cash, and jewelry, can be taken without the property owner having been convicted of a crime or even being formally accused of one, and the burden of proof to recover the seized property is shifted from the State to the property owner.

Your Committee also notes that the civil asset forfeiture process is a powerful tool used by law enforcement agencies against criminals and criminal organizations through seizure of contraband and removal of instrumentalities of crime from circulation. Proceeds from the sale of seized property helps law enforcement agencies offset the ongoing expenses of the process, such as storage, maintenance, and personnel.

Your Committee further finds that improving the fairness of the civil asset forfeiture process must be balanced against supporting the continued use of the process to deter criminal activity.

Accordingly, your Committee has amended this measure by:

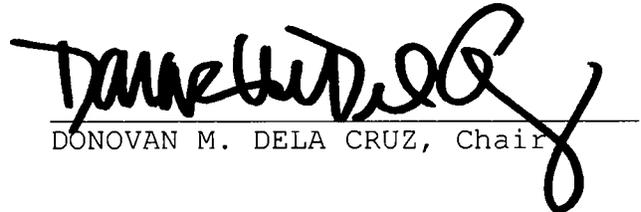
- (1) Deleting provisions directing forfeited property and its proceeds to the general fund and restoring the distribution of forfeited property and its proceeds among participating state and local government units, the prosecuting attorney, and the criminal forfeiture fund;



- (2) Restoring allowable expenditures of moneys in the criminal forfeiture fund, which include payment of awards, supplemental sums to state and county law enforcement officials for enforcement and officer training and education, and expenses of the drug nuisance abatement unit of the Attorney General;
- (3) Revising the purpose section accordingly;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 126, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 126, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



