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Testimony of **Lahaina Strong**
Before the House Committee on
Consumer Protection and Commerce

In Consideration of Senate Bill No. 332 SD1 HD1
RELATING TO FORECLOSURES

To Chair Matayoshi, Vice Chair Chun and the honorable members of the committee,

We are writing on behalf of Lāhainā Strong, an organization deeply rooted in our community's resilience and advocacy. Originally formed in 2018 following the Hurricane Lane fire in Lahaina and revitalized after the devastating fires of August 8, 2023, Lahaina Strong has become the largest grassroots, Lahaina-based community organization, with over 35,000 supporters. Our mission is to amplify local voices and champion community-driven solutions, which are more critical than ever as we continue rebuilding and recovering.

Lahaina Strong, stands in **support of Senate Bill 332 SD1 HD1** which addresses the urgent need to protect local residents from the devastating impacts of a looming foreclosure crisis on Maui. With the foreclosure moratorium ending, our community is facing another wave of grief as the economic impacts of the August 8th wildfire continue to unfold.

Without intervention, disaster capitalism threatens to exploit this crisis, allowing outside investors to purchase foreclosed properties and profit at the expense of local families. SB332 SD1 HD1 prevents foreclosed properties from being bundled together for auction. Requiring individual property auctions gives local residents a fairer chance to submit competitive offers. Bundled auctions only benefit investors, shutting out families who want to rebuild and remain in their community. This bill also prioritizes giving tenants, community organizations, and government entities the first opportunity to purchase foreclosed properties, ensuring that local homes remain in service to local people.

When paired with the work of community land trusts, this measure can help create a pool of permanently affordable housing for local residents and generational families in Lahaina. While the current draft of SB332 SD1 HD1 includes an effective date of July 1, 3000, we recognize this as a procedural placeholder to encourage further discussion. However, this measure addresses urgent issues that cannot be indefinitely delayed. We urge the committee to refine and advance this bill with a realistic implementation timeline that reflects the immediate needs of our community.

We respectfully request the Legislature **support Senate Bill 332 SD1 HD1** to protect local residents, prevent predatory real estate practices, and preserve the integrity of our community.

Mahalo for your consideration and for your commitment to helping communities like Lahaina recover and rebuild.

Sincerely,

Lāhainā Strong