DEPARTMENT OF PLANNING AND PERMITTING

CITY AND COUNTY OF HONOLULU

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February 6, 2019

The Honorable Sylvia Luke, Chair and Members of the Committee on Finance Hawaii House of Representatives Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke and Committee Members:

Subject: House Bill No. 460
Relating to the Counties

The Department of Planning and Permitting (DPP) **opposes** House Bill No. 460, which would prohibit a county from authorizing or accepting a discounted payment of a county-levied fine.

DPP administers a civil fine program for zoning, building and grading types of permits. There are other civil fines programs under other city departments. A blanket prohibition on the adjustment of fines is counterproductive for three reasons:

 Creates hardships. This Bill prevents a county from exercising its discretion in the application of fines where special circumstances exist. In many cases, the entity responsible for the violation is unable to correct the violation in a timely manner.

For example, a Waianae farm owned by a church incurred a fine of about \$700,000 for building minor structures without permits. It took a while for church leaders to take charge and they had to hold fund-raisers to pay the fine.

Often times, substantial fines are accrued because the property owners are elderly and can no longer care properly for their land. They are cited for a damaged roof or overgrown yard, but have done nothing to correct the violation. They may even let property tax assessments go unpaid. It takes a significant amount of fines to accrue before a family member takes charge, perhaps in light of other outstanding issues.

A final example is the outstanding fine assessed to the Hawaii Community Development Authority for stockpiling without a permit in Kalaeloa. The fine of \$350,000 is still outstanding, although a permit has been obtained.

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Fines accrue on a daily basis to motivate the correction of the violation, sooner, rather than later. Once the violation is corrected, the department exercises discretion on how much of the accrued fines must be paid. There is no negotiation of the fine amount until the violation is corrected. While this bill would clearly send a message that violations of the law is not tolerated, it will create severe hardship in many cases.

- 2. <u>Infringe on a county's homerule authority</u>. County fines are instituted to help enforce county regulations. The counties are best able to determine how to best manage their programs.
- 3. <u>Inconsistency</u>. We note that House Bill No. 460 would only apply to county fine programs. Given that state agencies have similar programs, this Bill should apply their civil fines program as well.

Please hold this Bill. Thank you for the opportunity to testify.

Very truly yours,

Kathy K. Bokugaw

Acting Director

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HB-460

Submitted on: 2/6/2019 1:57:02 PM

Testimony for FIN on 2/6/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tesha Malama	Individual	Oppose	No

Comments:

Strongly oppose this measure. The Counties need the authority to administer there programs. There are situations that requires the Counties to discern on circumstances. Also the Counties have the staff and enforcement. The State is overstepping their jurisdictions.

Thank you for your consideration.