

A BILL FOR AN ACT

RELATING TO REAL PROPERTY LIENS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 46-1.5, Hawaii Revised Statutes, is 2 amended to read as follows:

3 "§46-1.5 General powers and limitation of the counties.

4 Subject to general law, each county shall have the following

powers and shall be subject to the following liabilities and

6 limitations:

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- (1) Each county shall have the power to frame and adopt a charter for its own self-government that shall establish the county executive, administrative, and legislative structure and organization, including but not limited to the method of appointment or election of officials, their duties, responsibilities, and compensation, and the terms of their office;
 - (2) Each county shall have the power to provide for and regulate the marking and lighting of all buildings and other structures that may be obstructions or hazards to aerial navigation, so far as may be necessary or

1		proper for the protection and safeguarding of life,
2		health, and property;
3	(3)	Each county shall have the power to enforce all claims
4		on behalf of the county and approve all lawful claims
5		against the county, but shall be prohibited from
6		entering into, granting, or making in any manner any
7		contract, authorization, allowance payment, or
8		liability contrary to the provisions of any county
9		charter or general law;
10	(4)	Each county shall have the power to make contracts and
11		to do all things necessary and proper to carry into
12		execution all powers vested in the county or any
13		county officer;
14	(5)	Each county shall have the power to:
15		(A) Maintain channels, whether natural or artificial,
16		including their exits to the ocean, in suitable
17		condition to carry off storm waters;
18		(B) Remove from the channels, and from the shores and
19		beaches, any debris that is likely to create an
20		unsanitary condition or become a public nuisance;
21		provided that, to the extent any of the foregoing

1		work is a private responsibility, the
2		responsibility may be enforced by the county in
3		lieu of the work being done at public expense;
4	(C)	Construct, acquire by gift, purchase, or by the
5		exercise of eminent domain, reconstruct, improve
6		better, extend, and maintain projects or
7		undertakings for the control of and protection
8		against floods and flood waters, including the
9		power to drain and rehabilitate lands already
10		flooded;
11	(D)	Enact zoning ordinances providing that lands
12		deemed subject to seasonable, periodic, or
13		occasional flooding shall not be used for
14		residence or other purposes in a manner as to
15		endanger the health or safety of the occupants
16		thereof, as required by the Federal Flood
17		Insurance Act of 1956 (chapter 1025, Public Law
18		1016); and
19	(E)	Establish and charge user fees to create and
20		maintain any stormwater management system or
21		infrastructure;

1	(6)	Each county shall have the power to exercise the power
2		of condemnation by eminent domain when it is in the
3		public interest to do so;
4	(7)	Each county shall have the power to exercise
5		regulatory powers over business activity as are
6		assigned to them by chapter 445 or other general law;
7	(8)	Each county shall have the power to fix the fees and
8		charges for all official services not otherwise
9		provided for;
10	(9)	Each county shall have the power to provide by
11		ordinance assessments for the improvement or
12		maintenance of districts within the county;
13	(10)	Except as otherwise provided, no county shall have the
14		power to give or loan credit to, or in aid of, any
15		person or corporation, directly or indirectly, except
16		for a public purpose;
17	(11)	Where not within the jurisdiction of the public
18		utilities commission, each county shall have the power
19		to regulate by ordinance the operation of motor
20		vehicle common carriers transporting passengers within

1		the county and adopt and amend rules the county deems
2		necessary for the public convenience and necessity;
3	(12)	Each county shall have the power to enact and enforce
4		ordinances necessary to prevent or summarily remove
5		public nuisances and to compel the clearing or removal
6		of any public nuisance, refuse, and uncultivated
7		undergrowth from streets, sidewalks, public places,
8		and unoccupied lots. In connection with these powers,
9		each county may impose and enforce liens upon the
10		property for the cost to the county of removing and
11		completing the necessary work where the property
12		owners fail, after reasonable notice, to comply with
13		the ordinances. The authority provided by this
14		paragraph shall not be self-executing, but shall
15		become fully effective within a county only upon the
16		enactment or adoption by the county of appropriate and
17		particular laws, ordinances, or rules defining "public
18		nuisances" with respect to each county's respective
19	1	circumstances. The counties shall provide the
20		property owner with the opportunity to contest the
21		summary action and to recover the owner's property;

1		provided that a county may proceed with a power of
2		sale of the property after all notices, orders, and
3		appeal proceedings are exhausted;
4	(13)	Each county shall have the power to enact ordinances
5		deemed necessary to protect health, life, and
6		property, and to preserve the order and security of
7		the county and its inhabitants on any subject or
8		matter not inconsistent with, or tending to defeat,
9		the intent of any state statute where the statute does
10		not disclose an express or implied intent that the
11		statute shall be exclusive or uniform throughout the
12		State;
13	(14)	Each county shall have the power to:
14		(A) Make and enforce within the limits of the county
15		all necessary ordinances covering all:
16	•	(i) Local police matters;
17		(ii) Matters of sanitation;
18		(iii) Matters of inspection of buildings;
19		(iv) Matters of condemnation of unsafe
20		structures, plumbing, sewers, dairies, milk,
21		fish, and morgues; and

1			(v) Matters of the collection and disposition of
2			rubbish and garbage;
3		(B)	Provide exemptions for homeless facilities and
4			any other program for the homeless authorized by
5			part XVII of chapter 346, for all matters under
6			this paragraph;
7		(C)	Appoint county physicians and sanitary and other
8			inspectors as necessary to carry into effect
9			ordinances made under this paragraph, who shall
10			have the same power as given by law to agents of
11			the department of health, subject only to
12			limitations placed on them by the terms and
13			conditions of their appointments; and
14		(D)	Fix a penalty for the violation of any ordinance,
15			which penalty may be a misdemeanor, petty
16			misdemeanor, or violation as defined by general
17			law;
18	(15)	Each	county shall have the power to provide public
19		poun	ds; to regulate the impounding of stray animals
20		and	fowl, and their disposition; and to provide for

1		the appointment, powers, ductes, and rees of animal
2		control officers;
3	(16)	Each county shall have the power to purchase and
4		otherwise acquire, lease, and hold real and personal
5		property within the defined boundaries of the county
6		and to dispose of the real and personal property as
7		the interests of the inhabitants of the county may
8		require, except that:
9		(A) Any property held for school purposes may not be
10		disposed of without the consent of the
11		superintendent of education;
12		(B) No property bordering the ocean shall be sold or
13		otherwise disposed of; and
14		(C) All proceeds from the sale of park lands shall be
15		expended only for the acquisition of property for
16		park or recreational purposes;
17	(17)	Each county shall have the power to provide by charter
18		for the prosecution of all offenses and to prosecute
19		for offenses against the laws of the State under the
20		authority of the attorney general of the State;

1	(18)	Each	county shall have the power to make
2		appr	opriations in amounts deemed appropriate from any
3		mone	ys in the treasury, for the purpose of:
4		(A)	Community promotion and public celebrations;
5		(B)	The entertainment of distinguished persons as may
6			from time to time visit the county;
7		(C)	The entertainment of other distinguished persons,
8			as well as, public officials when deemed to be in
9			the best interest of the community; and
10		(D)	The rendering of civic tribute to individuals
11			who, by virtue of their accomplishments and
12			community service, merit civic commendations,
13			recognition, or remembrance;
14	(19)	Each	county shall have the power to:
15		(A)	Construct, purchase, take on lease, lease,
16			sublease, or in any other manner acquire, manage,
17			maintain, or dispose of buildings for county
18			purposes, sewers, sewer systems, pumping
19			stations, waterworks, including reservoirs,
20			wells, pipelines, and other conduits for
21			distributing water to the public, lighting

1			plants, and apparatus and appliances for lighting
2			streets and public buildings, and manage,
3			regulate, and control the same;
4		(B)	Regulate and control the location and quality of
5			all appliances necessary to the furnishing of
6			water, heat, light, power, telephone, and
7			telecommunications service to the county;
8		(C)	Acquire, regulate, and control any and all
9			appliances for the sprinkling and cleaning of the
10			streets and the public ways, and for flushing the
11			sewers; and
12		(D)	Open, close, construct, or maintain county
13			highways or charge toll on county highways;
14			provided that all revenues received from a toll
15			charge shall be used for the construction or
16			maintenance of county highways;
17	(20)	Each	county shall have the power to regulate the
18		rent	ing, subletting, and rental conditions of property
19		for	places of abode by ordinance;
20	(21)	Unle	ess otherwise provided by law, each county shall
21		have	the power to establish by ordinance the order of

1		succession of county officials in the event of a	
2		military or civil disaster;	
3	(22)	Each county shall have the power to sue and be sued	in
4		its corporate name;	
5	(23)	Each county shall have the power to:	
6		(A) Establish and maintain waterworks and sewer	
7		works;	
8		(B) Implement a sewer monitoring program that	
9		includes the inspection of sewer laterals that	
10		connect to county sewers, when those laterals	are
11		located on public or private property, after	
12		providing a property owner not less than ten	
13		calendar days' written notice, to detect leaks	
14		from laterals, infiltration, and inflow, any	
15		other law to the contrary notwithstanding;	
16		(C) Compel an owner of private property upon which	is
17		located any sewer lateral that connects to a	
18		county sewer to inspect that lateral for leaks	,
19		infiltration, and inflow and to perform repair	s
20		as necessary;	

1	(D)	Collect rates for water supplied to consumers and
2		for the use of sewers;
3	(E)	Install water meters whenever deemed expedient;
4		provided that owners of premises having vested
5		water rights under existing laws appurtenant to
6		the premises shall not be charged for the
7		installation or use of the water meters on the
8		premises; and
9	(F)	Take over from the State existing waterworks
10		systems, including water rights, pipelines, and
11		other appurtenances belonging thereto, and sewer
12		systems, and to enlarge, develop, and improve the
13		same;
14	(G)	For purposes of subparagraphs (B) and (C):
15		(i) "Infiltration" means groundwater, rainwater,
16		and saltwater that enters the county sewer
17		system through cracked, broken, or defective
18		sewer laterals; and
19		(ii) "Inflow" means non-sewage entering the
20		county sewer system via inappropriate or
21		illegal connections;

1	(24) (A)	Each county may impose civil fines, in addition
2		to criminal penalties, for any violation of
3		county ordinances or rules after reasonable
4		notice and requests to correct or cease the
5		violation have been made upon the violator. Any
6		administratively imposed civil fine shall not be
7		collected until after an opportunity for a
8		hearing under chapter 91. Any appeal shall be
9		filed within thirty days from the date of the
10		final written decision. These proceedings shall
11		not be a prerequisite for any civil fine or
12		injunctive relief ordered by the circuit court;
13	(B)	Each county by ordinance may provide for the
14		addition of any unpaid civil fines, ordered by
15		any court of competent jurisdiction, to any
16		taxes, fees, or charges, with the exception of
17		fees or charges for water for residential use and
18		sewer charges, collected by the county. Each
19		county by ordinance may also provide for the
20		addition of any unpaid administratively imposed
21		civil fines, which remain due after all judicial

1	review rights under section 91-14 are exhausted,
2	to any taxes, fees, or charges, with the
3	exception of water for residential use and sewer
4	charges, collected by the county. The ordinance
5	shall specify the administrative procedures for
6	the addition of the unpaid civil fines to the
7	eligible taxes, fees, or charges and may require
8	hearings or other proceedings. After addition of
9	the unpaid civil fines to the taxes, fees, or
10	charges, the unpaid civil fines shall not become
11	a part of any taxes, fees, or charges. The
12	county by ordinance may condition the issuance or
13	renewal of a license, approval, or permit for
14	which a fee or charge is assessed, except for
15	water for residential use and sewer charges, on
16	payment of the unpaid civil fines. Upon
17	recordation of a notice of unpaid civil fines in
18	the bureau of conveyances, the amount of the
19	civil fines, including any increase in the amount
20	of the fine which the county may assess, shall
21	constitute a lien upon all real property or

1	rights to real property belonging to any person
2	liable for the unpaid civil fines. The lien in
3	favor of the county shall be subordinate to any
4	lien in favor of any person recorded or
5	registered prior to the recordation of the notice
6	of unpaid civil fines and senior to any lien
7	recorded or registered after the recordation of
8	the notice. The lien shall continue until the
9	unpaid civil fines are paid in full or until a
10	certificate of release or partial release of the
11	lien, prepared by the county at the owner's
12	expense, is recorded. The notice of unpaid civil
13	fines shall state the amount of the fine as of
14	the date of the notice and maximum permissible
15	daily increase of the fine. The county shall not
16	be required to include a social security number,
17	state general excise taxpayer identification
18	number, or federal employer identification number
19	on the notice. Recordation of the notice in the
20	bureau of conveyances shall be deemed, at such
21	time, for all purposes and without any further

1		action, to procure a lien on land registered in
2		land court under chapter 501. After the unpaid
3		civil fines are added to the taxes, fees, or
4		charges as specified by county ordinance, the
5		unpaid civil fines shall be deemed immediately
6		due, owing, and delinquent and may be collected
7		in any lawful manner. The procedure for
8		collection of unpaid civil fines authorized in
9		this paragraph shall be in addition to any other
10		procedures for collection available to the State
11		and county by law or rules of the courts;
12	(C)	Each county may impose civil fines upon any
13		person who places graffiti on any real or
14		personal property owned, managed, or maintained
15		by the county. The fine may be up to \$1,000 or
16		may be equal to the actual cost of having the
17		damaged property repaired or replaced. The
18		parent or guardian having custody of a minor who
19		places graffiti on any real or personal property
20		owned, managed, or maintained by the county shall
21		be jointly and severally liable with the minor

1		for any civil fines imposed hereunder. Any such
2		fine may be administratively imposed after an
3		opportunity for a hearing under chapter 91, but
4		such a proceeding shall not be a prerequisite for
5		any civil fine ordered by any court. As used in
6		this subparagraph, "graffiti" means any
7		unauthorized drawing, inscription, figure, or
8		mark of any type intentionally created by paint,
9		ink, chalk, dye, or similar substances;
10	(D)	At the completion of an appeal in which the
11		county's enforcement action is affirmed and upon
12		correction of the violation if requested by the
13		violator, the case shall be reviewed by the
14		county agency that imposed the civil fines to
15		determine the appropriateness of the amount of
16		the civil fines that accrued while the appeal
17		proceedings were pending. In its review of the
18		amount of the accrued fines, the county agency
19		may consider:
20		(i) The nature and egregiousness of the
21		violation;

1	(ii) The duration of the violation;
2	(iii) The number of recurring and other similar
3	violations;
4	(iv) Any effort taken by the violator to correc
5	the violation;
6	(v) The degree of involvement in causing or
7	continuing the violation;
8	(vi) Reasons for any delay in the completion of
9	the appeal; and
10	(vii) Other extenuating circumstances.
11	The civil fine that is imposed by administrativ
12	order after this review is completed and the
13	violation is corrected shall be subject to
14	judicial review, notwithstanding any provisions
15	for administrative review in county charters;
16	(E) After completion of a review of the amount of
17	accrued civil fine by the county agency that
18	imposed the fine, the amount of the civil fine
19	determined appropriate, including both the
20	initial civil fine and any accrued daily civil
21	fine, shall immediately become due and

1		collectible following reasonable notice to the
2		violator. If no review of the accrued civil fine
3		is requested, the amount of the civil fine, not
4		to exceed the total accrual of civil fine prior
5		to correcting the violation, shall immediately
6		become due and collectible following reasonable
7		notice to the violator, at the completion of all
8		appeal proceedings[+]. After all notices,
9		orders, and appeal proceedings are exhausted, a
10		county may satisfy all unpaid civil fines arising
11		from the violation of a land use law, ordinance,
12		or rule through the power of sale on the real
13		property subject to a recorded lien. A power of
14		sale shall become fully effective within a county
15		upon the enactment or adoption by the county of
16		appropriate and particular laws, ordinances, or
17		rules establishing the power of sale; and
18	(F)	If no county agency exists to conduct appeal
19		proceedings for a particular civil fine action
20		taken by the county, then one shall be

1		established by ordinance before the county shall
2		impose the civil fine;
3	(25)	Any law to the contrary notwithstanding, any county
4		mayor, by executive order, may exempt donors, provides
5		agencies, homeless facilities, and any other program
6		for the homeless under part XVII of chapter 346 from
7		real property taxes, water and sewer development fees,
8		rates collected for water supplied to consumers and
9		for use of sewers, and any other county taxes,
10		charges, or fees; provided that any county may enact
11		ordinances to regulate and grant the exemptions
12		granted by this paragraph;
13	(26)	Any county may establish a captive insurance company
14		pursuant to article 19, chapter 431; and
15	(27)	Each county shall have the power to enact and enforce
16		ordinances regulating towing operations."
17	SECT	ION 2. Chapter 507, Hawaii Revised Statutes, is
18	amended b	y adding a new part to be appropriately designated and
19	to read a	s follows:
20		"PART REAT, PROPERTY



- 1 "\$507-A Definitions. As used in this part, unless a
- 2 different meaning is plainly intended:
- 3 "Land use law" means any law, constitutional provision,
- 4 statute, ordinance, or rule that regulates the use or
- 5 development of land in the State, including laws related to
- 6 zoning, district classification, general plan designation,
- 7 permits, permitted and prohibited uses, coastal zone and
- 8 shoreline management, covenants, conditions, and easements.
- 9 "Land use law" includes the laws found in chapters 205, 205A,
- 10 343, and 508C and other laws regulating the use or development
- 11 of land in the State and rules adopted pursuant thereto.
- "Lien" means the lien provided in section 507-B.
- "Owner" means the owner of the real property or any person
- 14 having any right, title, or interest in the real property that
- 15 may be sold under legal process.
- "Person" includes natural persons, partnerships,
- 17 corporations, firms, unincorporated associations, joint
- 18 ventures, and any other party recognized at law as a person.
- 19 §507-B Lien on real property; violation of land use laws.
- 20 In addition to any other remedy provided by law, the State or
- 21 any county in which the affected real property is situated may



- 1 attach and record a lien on the real property for any unpaid
- 2 civil fines resulting from a violation of a land use law in
- 3 connection with the property. Any administratively imposed
- 4 civil fine for the violation shall not be collected until after
- 5 an opportunity for a hearing under chapter 91. Any appeal shall
- 6 be filed within thirty days from the date of the final written
- 7 decision. These proceedings shall not be a prerequisite to any
- 8 civil fine or injunctive relief ordered by the circuit court.
- 9 After all notices, orders, and appeal proceedings, if any, are
- 10 exhausted, the State or applicable county, or any agency
- 11 thereof, may satisfy all unpaid civil fines arising from the
- 12 violation of a land use law through the power of sale on the
- 13 real property subject to the recorded lien.
- 14 §507-C Priority of lien. A lien pursuant to section 507-B
- 15 arises at the time all notices, orders, and appeal proceedings,
- 16 if any, are exhausted and is a paramount lien on the real
- 17 property against all parties, whether their interest arose
- 18 before or after that time, except that the lien:
- 19 (1) Shall be subordinate to any lien for a tax debt due to
- the State by the owner of the real property under
- 21 section 231-33; and



1	(2) Shall not be valid against a mortgagee or purchaser of
2	real property, or the lien of a judgment creditor upor
3	the real property, whose interest arose prior to the
4	recording by the state or county agency of the lien
5	pursuant to section 507-B.
6	§507-D Rule-making authority. The state or county agency
7	imposing civil fines for the violation of a land use law, as
8	appropriate, may adopt rules pursuant to chapter 91 to
9	administer this part."
10	SECTION 3. In codifying the new sections added by section
11	2 of this Act, the revisor of statutes shall substitute
12	appropriate section numbers for the letters used in designating
13	the new sections in this Act.
14	SECTION 4. This Act does not affect rights and duties that
15	matured, penalties that were incurred, and proceedings that were
16	begun before its effective date.
17	SECTION 5. Statutory material to be repealed is bracketed
18	and stricken. New statutory material is underscored.
19	SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

Jamy James

JAN 1 1 2023

Report Title:

Civil Fines; Land Use Law Violations; Lien; Sale of Real Property; State; Counties

Description:

Authorizes the State and the county in which the affected real property is situated to place a lien on the property for unpaid civil fines resulting from a violation of a land use law in connection with the property. Authorizes the State and applicable county to sell the property after all notices, orders, and appeal proceedings, if any, are exhausted and use those revenues to pay unpaid civil fines related to that property.

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