

DATE: 2/4/2026

TO: Senator Karl Rhoads
Chair, Committee on Judiciary

FROM: Mihoko Ito / Tiffany Yajima

RE: **SB 2444 – Relating to Attachment and Execution of Real Property**
Hearing Date: Friday, February 6, 2026 at 9:00 a.m.
Conference Room: 016

Dear Chair Rhoads, Vice-Chair Gabbard, and Members of the Committee on Judiciary:

We submit this testimony on behalf of the Hawaii Bankers Association (HBA). HBA represents seven Hawai‘i banks and one bank from the continent with branches in Hawai‘i.

HBA submits **comments** on this bill which proposes to increase the real property exemption amount for attachment or execution of real property. HBA is concerned that this measure would significantly increase the amount of debt a debtor is allowed to forgive on real property with a fair market value of up to \$150,000 in equity for heads of household or for individuals over 65, and up to \$150,000 in equity for all other individuals.

If the purpose of the bill is to raise the amount of relief to primary owner-occupants who fall into debt, HBA would ask this Committee to consider amendments to make this applicable only to true primary owner-occupants. As drafted, this measure is applicable to any type of real property – whether residential, commercial, owner-occupied, investment or even vacant land and could lead to unintended consequences.

In addition, if the attachment and execution thresholds are increased, a larger amount of a debtor's property can be seized or sold to satisfy debts. However, when the exemption limit on real property is increased, the owner retains a greater portion of their property's value. Any increase in the real property exemption would allow the owner to retain a greater portion of their property's value but would result in less money available for unsecured creditors.

HBA would suggest that further discussion is warranted before increasing the exemption amount and would be happy to work with the committee and stakeholders further to discuss these issues and develop a proposed solution. Thank you for the opportunity to submit this testimony.



Collection Law Section

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February 5, 2026

Reply to: KARYN A. DOI, CHAIR
222 MERCHANT ST.
HONOLULU, HAWAII 96813
TELEPHONE: (808) 538-1921
FAX: (808) 523-9585
E-MAIL: karyn@leu-okuda.com

Re: H.B. 147 (Relating To Attachment and Execution of Real Property)
Hearing: February 6, 2026 9:00 a.m.
Testimony in Opposition / Comment

Dear Chair Senator Karl Rhoads, Vice Chair Senator Mike Gabbard, and Committee Members:

This testimony is submitted on behalf of the Collection Law Section (“CLS”) of the Hawaii State Bar Association.*

The CLS recommends a \$50,000 (flat amount) exemption for real estate.

Thank you.

/S/ William J. Plum
WILLIAM J. PLUM
Vice Chair
The Collection Law Section

** The comments and recommendations submitted reflect the viewpoint of the Collection Law Section of the Hawaii State Bar Association only. This viewpoint has not been reviewed or approved by the HSBA Board of Directors.*