

**SB-2702**

Submitted on: 1/30/2026 6:37:57 PM

Testimony for HWN on 2/3/2026 1:10:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry Support

2702 SB RELATING TO HAWAIIAN HOME LANDS.	HWN	CR 224 & Videoconference	Feb 3, 2026 1:10 PM
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HO`OMANA PONO, LLC  
***Mamua Kānaka***

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**ATTENTION:**

**COMMITTEE ON HAWAIIAN AFFAIRS**

Senator Herbert M. "Tim" Richards, III, Chair

Senator Rachele Lamosao, Vice Chair

January 31, 2026

Re: **SB2314 RELATING TO HAWAIIAN HOME LANDS**

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Aloha Chair, Vice Chair and Members of the Committee on Hawaiian Affairs!

We **STRONGLY SUPPORT** this, Bill.

Papa `Olelo Hawai`i is the **FIRST LANGUAGE** of this Nation! We must do all we can to allow our mother tongue to live on in every aspect of Society in Hawai`i Nei.

Please pass this bill. Mahalo.

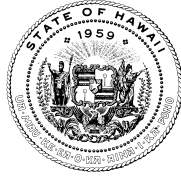
***De Mont Kalai Manaole***

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'o Hawai'i*



KALI WATSON  
CHAIRPERSON, HHC  
*Ka Luna Ho'okele*

KATIE L. LAMBERT  
DEPUTY TO THE CHAIR  
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STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS  
*Ka 'Oihana 'Āina Ho'opulapula Hawai'i*

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TESTIMONY OF KALI WATSON, CHAIR  
HAWAIIAN HOMES COMMISSION  
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS  
ON FEBRUARY 3, 2026 AT 1:10PM IN CR 224

**SB 2702, RELATING TO HAWAIIAN HOME LANDS**

February 3, 2026

Aloha Chair Richards, Vice Chair Lamosao, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **supports with amendments** this measure which 1) establishes a limited right of first refusal for the Department of Hawaiian Home Lands with respect to county real property tax sales, 2) requires advance notice from the counties to the Department of Hawaiian Home Lands of qualifying properties, and 3) amends the Hawaiian Homes Commission Act, 1920, as amended, to authorize the conveyance of certain tax-delinquent properties.

DHHL appreciates the intent of this bill to enable DHHL to strategically acquire tax-delinquent properties through a right of first refusal. The bill would assist DHHL in providing housing availability for Native Hawaiian beneficiaries, thereby accelerating housing production and leveraging existing infrastructure to deliver homes more efficiently and cost-effectively.

DHHL recommends that section 2 and section 4 of SB2702 be deleted from the measure because the Hawaiian Homes Commission Act, 1920, as amended, does not need to be amended to allow for acquisition of properties. Section 6 of this measure should be amended to read "This Act shall take effect upon its approval."

Thank you for your consideration of our testimony.

Cindy Freitas  
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## **OPPOSE UNLESS AMENDED – S.B. 2702**

### **RELATING TO DHHL RIGHT OF FIRST REFUSAL AT COUNTY TAX SALES**

He Mele komo a he mele aloha no na kupuna o ke au i hala Aloha mai kakou.

Aloha,

My name is Cindy Freitas and I'm a Native Hawaiian descended of the native inhabitants of Hawai'i prior to 1778 and born and raised in Hawai'i.  
I am also a practitioner who still practice the cultural traditional customary practices that was instill in me by my grandparents at a young age from mauka (MOUNTAIN TO SEA) to makai in many areas.

I respectfully submit testimony **OPPOSING S.B. 2702 UNLESS AMENDED.**

S.B. 2702 establishes a right of first refusal (ROFR) for the Department of Hawaiian Home Lands (DHHL) following county real property tax auctions. While expanding land acquisition opportunities may be a worthy goal, the bill **creates new authority without the safeguards, standards, and transparency necessary to ensure fair, fiscally responsible, and consistent implementation.**

## **WHAT IS MISSING FROM S.B. 2702**

- **Clear suitability criteria.** The bill requires counties to notify DHHL of parcels that “may be suitable,” but provides no objective standards, risking inconsistent or overly broad screening.
- **Funding clarity and fiscal safeguards.** The bill authorizes acquisitions without identifying funding sources, limits, or fiscal impact analysis for DHHL or counties.
- **Firm timelines and auction certainty.** The post-auction ROFR period lacks clear outer limits and remedies, creating uncertainty for counties and bidders.
- **Notice to affected parties.** There are no notice requirements for lienholders, occupants, heirs, or other stakeholders beyond county-to-DHHL notice.
- **Valuation and cost controls.** Matching the highest bid lacks appraisal standards or safeguards against inflated or speculative pricing.
- **Pre-acquisition due diligence.** Environmental, access, and infrastructure constraints are addressed only at conveyance, not before selection.
- **Cultural and historic screening.** The bill omits early cultural and historic review standards prior to acquisition decisions.
- **County coordination standards.** Although county authority is preserved, the bill lacks defined coordination processes or dispute-resolution mechanisms.

- **Reporting and transparency.** There is no requirement to report notices received, ROFRs exercised, costs, or outcomes.
- **Market impact safeguards.** The bill provides no analysis or guardrails to prevent chilling effects on auctions or reduced county recoveries.
- **Sunset or legislative review.** The authority is permanent, with no pilot evaluation or required legislative reassessment.

## **REQUIRED AMENDMENTS (OPPOSE UNLESS ADOPTED)**

S.B. 2702 should not advance unless amended to:

1. Establish **objective suitability criteria** for parcels subject to notice;
2. Identify **funding sources, caps, and fiscal safeguards**;
3. Set **clear, firm ROFR timelines** with remedies;
4. Require **notice to affected parties** beyond DHHL;
5. Add **valuation and appraisal standards** to prevent inflated pricing;
6. Mandate **pre-acquisition environmental, infrastructure, and access due diligence**;
7. Require **early cultural and historic screening**;
8. Define **county coordination and dispute-resolution processes**;
9. Require **public reporting and transparency**;
10. Include a **sunset clause or pilot evaluation**.

## **CONCLUSION**

S.B. 2702 expands acquisition authority without the safeguards necessary to ensure consistency, fiscal responsibility, and transparency. Without the amendments above, the bill poses unnecessary legal, fiscal, and market risks.

For these reasons, I **OPPOSE S.B. 2702 UNLESS AMENDED**.

Mahalo

Cindy Freitas