

STAND. COM. REP. NO. 2808

Honolulu, Hawaii

MAR - 5 2026

RE: S.B. No. 2444
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2444 entitled:

"A BILL FOR AN ACT RELATING TO ATTACHMENT AND EXECUTION OF REAL PROPERTY,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the real property exemption amount for attachment or execution.

Your Committee received testimony in opposition to this measure from the Hawaii State Bar Association Collection Law Section.

Your Committee received comments on this measure from the Department of the Attorney General, Hawaii Bankers Association, Mortgage Bankers Association of Hawaii, and Hawaii Financial Services Association.

Your Committee finds that the real property exemption amount from attachment or execution has not been increased since 1978. During that time, consumer prices have increased by nearly four hundred percent, meaning that due to inflation, prices today are approximately five times higher than they were the last time the real property exemption amount was increased. This measure will update the exemption amount to adjust for nearly fifty years of inflation.



Your Committee notes that this measure includes a retroactive "deemed amended" clause that applies the increased exemption amounts to claims made before January 1, 2027. This clause also includes a provision stating that the increase applies only "to the extent that the increase does not impair or defeat the right of any creditor who has executed upon the real property" before January 1, 2027. Your Committee recognizes that this provision is intended to preserve creditor rights, but notes the concerns raised by the Department of the Attorney General that the provision is too vague to provide predictable guidance or prevent litigation because the measure does not define terms that control whether the increased exemption applies. Additionally, although narrowing and defining the provision may reduce ambiguity, it may also increase the likelihood of legal challenges based on retroactive impairment of creditor enforcement rights, including under the contracts clause of the United States Constitution and Hawaii State Constitution. Therefore, to reduce uncertainty and address potential constitutional concerns, amendments to this measure are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have applied increased exemption amounts to claims made before January 1, 2027; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2444, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2444, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary,

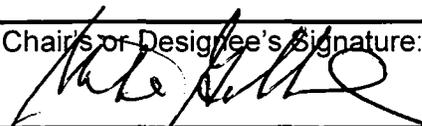
Karl Rhoads

KARL RHOADS, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* SB2444	Committee Referral: JDC	Date: 2/6/26		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
GABBARD, Mike (VC)	✓			
CHANG, Stanley	✓			
SAN BUENAVENTURA, Joy A.				✓
AWA, Brenton				✓
TOTAL	3	—	—	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Committee Drafting Agency				

*Only one measure per Record of Votes