

**DEPARTMENT OF CUSTOMER SERVICES
KA 'OIHANA LAWELAWE KUPA
CITY AND COUNTY OF HONOLULU**

ADMINISTRATION

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February 6, 2026

The Honorable Mark J. Hashem, Chair
The Honorable Dee Morikawa, Vice Chair
and Members of the House Committee on Water & Land
State Capitol, Conference Room 411
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Hashem, Vice Chair Morikawa, and Members of the House
Committee on Water & Land:

SUBJECT: H.B. No. 1861 - Relating To The Counties
HEARING: Tuesday, February 10, 2026, 9:00 a.m.

The City and County of Honolulu, Department of Customer Services (CSD), appreciates the opportunity to testify in **support** of H.B. No. 1861, which would revise Section 46-1.5, Hawaii Revised Statutes (HRS), subsection 24 to, among other things, clarify that each county may impose and collect civil fines, in addition to criminal penalties, for violations of county ordinances or rules in accordance with this part, and to adopt ordinances and rules providing for the imposition of civil fines for violations of county ordinances and rules.

CSD **supports** the intent of H.B. No. 1861 to retain the substance of Section 46-1.5, HRS, subsection 24, and clarify the law as set forth above.

Thank you for this opportunity to provide testimony in **support** of H.B. No. 1861.

Sincerely,

for Kimberly M. Hashiro
Director

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

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DEPUTY DIRECTOR
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REGINA MALEPEAI
2ND DEPUTY DIRECTOR
HOPE PO'O KUALUA

TESTIMONY OF THE DEPARTMENT OF PLANNING AND PERMITTING

BEFORE THE HOUSE COMMITTEE ON WATER & LAND

February 10, 2026

Conference Room 411

TO: The Honorable Mark J. Hashem, Chair, The Honorable Dee Morikawa, Vice Chair, and Members of the Committee on Water & Land

RE: SUPPORT OF HOUSE BILL NO. 1861, RELATING TO THE COUNTIES

The Department of Planning and Permitting (DPP) **supports** House Bill No. 1861, which authorizes counties to sell property through non-judicial foreclosure as a way to collect unpaid civil fines, subject to certain conditions.

This Bill would empower the DPP to better enforce against repeat and egregious offenders, which generally rack up the largest accruals of fines. Specifically, this Bill would authorize the City to bring closure to pending civil fines imposed on landowners who are in violation of the City's land use ordinances and building codes, through a non-judicial or administrative process. The counties currently have and exercise the authority to use the non-judicial foreclosure process for collection of real property tax liens, which this Bill would extend to collection of liens on properties for civil fines.

Currently, the DPP issues a Notice of Violation (NOV) to notify the violator of the violation and to provide a reasonable amount of time to cure the violation, either by removing the violation or obtaining the proper approvals. If the landowner fails to comply with the NOV, a Notice of Order (NOO) is issued to impose daily civil fines until the violation is corrected. Once the fines accrue to a certain amount based on the type of violation, the City can place a lien on the property. If the violator continues to be noncompliant and/or does not pay the fines, the City moves forward with the judicial foreclosure process.

In past public hearings, concern has been raised that the City will abuse this authority and use it to "take" private property without due process and for small fine amounts. This could not be further from the truth. Even non-judicial foreclosure provides notice and opportunity to oppose or contest the foreclosure action. In addition, the City would never use this method to foreclose on property when the fines are not

The Honorable Mark J. Hashem, Chair
The Honorable Dee Morikawa, Vice Chair
and Members of the Committee on Water & Land
House Bill No. 1861
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commensurate with the value of the property. In the end, non-judicial foreclosure is a quicker, more efficient means to communicate to the property owner that violations and fines need to be resolved, preferably through negotiation, as opposed to foreclosure.

We respectfully request that you approve this Bill to allow the counties to implement non-judicial foreclosures to efficiently and effectively collect civil fines.

Thank you for this opportunity to testify.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Dawn Takeuchi Apuna', with a long horizontal flourish extending to the right.

Dawn Takeuchi Apuna
Director

Feb. 10, 2026, 9 a.m.
Hawaii State Capitol
Conference Room 411 and Videoconference

To: House Committee on Water & Land
Rep. Mark J. Hashem, Chair
Rep. Dee Morikawa, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN OPPOSITION TO HB1861 — RELATING TO THE COUNTIES

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **opposes** — and **offers an amendment** to — [HB1861](#), which would allow the counties to sell property through non-judicial foreclosure, subject to certain conditions.

We sympathize with the desire of the counties to address nuisances and recoup fines, but this bill does not adequately protect the equity interests of homeowners. Unless those interests are protected, any actions taken to recoup fines via foreclosure sales would be vulnerable to legal challenge.

In [Tyler v. Hennepin County, Minnesota](#), the Supreme Court held that the county's retention of the excess value of the plaintiff's home above her tax debt violated the U.S. Constitution's takings clause. Thus, it is important that this bill be amended to protect a homeowner's equity interest by ensuring that excess money from a sale be returned to the property owner.

Moreover, we are concerned that the sales envisioned in this bill are ripe for corruption. Without a provision that requires the property be sold promptly at or near market value, it is possible for a bad actor to deprive the owner of his or her equity interest in the property.

For example, in [Michigan](#), corruption at the local level resulted in some foreclosed properties being sold far below market price to friends and families of local officials.¹

If this bill were to move forward, we suggest that the Committee amend the language of the bill to include the bolded language as follows:

(H) After a county records a notice of unpaid civil fines in the bureau of conveyances or land court, the county may collect any unpaid fines secured by the county lien by foreclosing on the lien in a manner similar to that provided under chapter 667; provided that this power shall become effective upon the county's adoption of ordinances or rules necessary to carry this power into effect; provided further that the counties shall adhere to section 667-3 in providing for the application of proceeds upon foreclosure of the county lien. **The county shall sell the property at no less than the market value of similarly situated properties and all revenues received from the sale that exceed the amount of the lien shall be refunded to the property owner.**

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

¹ ["Ending Home Equity Theft."](#) Pacific Legal Foundation, accessed Feb. 4, 2025.



Rep. Mark J. Hashem, Chair
Rep. Dee Morikawa, Vice Chair
Committee on Water and Land

Tuesday, February 10, 2026
9:00AM Conference Room 411

RE: HB1861 - Non-judicial Foreclosure - Oppose

Dear Chair Hashem, Vice Chair Morikawa, and Members of the Committee,

On behalf of the Chamber of Sustainable Commerce, we respectfully OPPOSE HB1861. The Chamber of Sustainable Commerce represents more than 580 small businesses, sole proprietors and entrepreneurs across Hawai'i committed to a triple bottom line: people, planet and prosperity.

The Chamber of Sustainable Commerce supports reasonable enforcement of county ordinances. However, HB1861 crosses a constitutional line by authorizing counties to foreclose on private property through non-judicial processes to collect civil fines, effectively bypassing the courts and eroding fundamental due process protections guaranteed under both the U.S. and Hawai'i Constitutions.

Our constitutional system intentionally separates legislative, executive, and judicial powers to prevent abuse. HB1861 concentrates enforcement, adjudication, and punishment within county governments—allowing them to fine, lien, and ultimately sell private property without meaningful judicial review. This removes the judiciary's essential role as a neutral check on government power.

Private property is one of the strongest protected rights under the Constitution. Allowing non-judicial foreclosure for civil fines—often arising from administrative or code violations—creates a pathway where individuals can lose their homes or businesses without a court weighing proportionality, fairness, or circumstances. That is not due process.

Small businesses, family landowners, and working families are far more

**Hawaii Legislative
Council Members**

Joell Edwards
Wainiha Country Market
Hanalei

Russell Ruderman
Island Naturals
Hilo/Kona

Dr. Andrew Johnson
Niko Niko Family Dentistry
Honolulu

Robert H. Pahia
Hawaii Taro Farm
Wailuku

Maile Meyer
Honolulu

Tina Wildberger
Kihei Ice
Kihei

L. Malu Shizue Miki
Abundant Life Natural Foods
Hilo

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Sustainable Commerce
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vulnerable to accumulating administrative fines than large corporate actors. This bill exposes them to escalating penalties, liens, and foreclosure risk for issues that may be technical, disputed, or financially burdensome to resolve quickly. The result is economic displacement, not compliance.

When governments are empowered to seize property without court approval, enforcement risks becoming revenue-driven rather than justice-driven. This undermines public trust, destabilizes communities, and creates fear instead of cooperation—conditions that harm local commerce and community wellbeing.

Counties already have mechanisms to impose fines, place liens, and pursue collection through judicial foreclosure when warranted. There is no compelling justification for eliminating court oversight—only serious constitutional and economic risks.

We believe no civil fine should carry the power to strip someone of property without judicial due process. Efficiency must never come at the expense of constitutional rights.

Respectfully submitted in opposition.

HB-1861

Submitted on: 2/6/2026 2:31:01 PM

Testimony for WAL on 2/10/2026 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT

HB 1861 Relating to the counties

Aloha Chair Hashem and WAL Committee,

HB 1861 creates a framework for non-judicial foreclosure for counties. The bill appears to allow counties to pass laws at a later date, to fill in what has been left out. That is a long-run disaster.

This is a perfidious power grab by city lobbyists to pay for Honolulu county's rail and federally decreed sewage projects. This bill will no doubt erode: private property rights, housing, and public welfare. A further decrease of trust in government by communities will occur, as we treat our most marginalized people in a cruel way.¹

The role of our Courts as the third branch of government, weighs the actions of the other two branches of government for constitutionality.² If we examine the Great Recession, people have been deceived and displaced from their homes by processes gone awry.³ Foreclosure processes should remain in our court system. I trust the courts are fair and impartial and provide a *proven track record* of due process.

What is the end goal of non-judicial foreclosure? It can't be county land grabs? Or equity theft of our kupuna on fixed incomes? Many local families trying to keep up with the high cost of living and stagnant wages in Hawaii will be hurt.⁴ *Where will it end?*

I strongly oppose this bill. Operational problems plague Honolulu's Department of Planning and Permitting (DPP). Some of DPP's problems have been documented in our local newspapers, online news outlets and local T.V. stations. This bill solidifies counties to mirror the current actions of our federal government in 2026, even more.

Let us move forward with aloha and build community. We can imagine a much better way forward with humanity. For those of us who have deep roots here, let's not forget we live in a unique place. Lastly, let's remember our kanaka maoli, those who trusted government and *have not* received redress since January 17, 1893.

References

1. Stanley, Jason. Introduction. *How Fascism Works: The Politics of Us and Them*. Random House. 2018
2. Ginsburg, Ruth Bader. (2018, September 24). *Lecture, at John Adams Institute*. YouTube. <https://www.youtube.com/watch?v=QoS4YhzIzWA>
3. Solman, Paul and Diane Lincoln Estes. (2026, Feb.5). *Zombie Mortgages*. PBS Newshour. <https://www.pbs.org/newshour/show/how-zombie-mortgages-are-coming-back-to-haunt-homeowners-years-later>
4. Bond-Smith, Steven et al. (2026, Feb. 1). *UHERO Beyond the Price of Paradise: Is Hawaii Being Left Behind?*. <https://uhero.hawaii.edu/wp-content/uploads/2026/01/BeyondThePriceOfParadise.pdf>

HB-1861

Submitted on: 2/8/2026 7:49:57 PM

Testimony for WAL on 2/10/2026 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sophia Tynanes-Nakasone	Individual	Oppose	Written Testimony Only

Comments:

I wholeheartedly do NOT support this bill. I believe it is unjustly and we need the Judicial system involved in these matters. Mahalo.

HB-1861

Submitted on: 2/9/2026 11:27:08 AM

Testimony for WAL on 2/10/2026 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael L. Gonsalves	Individual	Oppose	Written Testimony Only

Comments:

Members of the Hawaii State Legislature:

I am opposed to HB1861 for two reasons:

- 1. Due process through the courts protects citizens from the arbitrary exercise of administrative power. The right to due process should not be abridged.**
- 2. If the agencies responsible for executing due process lack the resources to do so, then the solution is to give them the necessary resources, not dispense with due process.**

This proposed legislation will adversely affect our kupuna and the needy, especially. These people need your support, not your enmity.

GIVE THEM THEIR DAY IN COURT!

Yours truly,

Michael L. Gonsalves

858 Hoomalu Street

Pearl City, HI 96782

KILL HB1861 aka HB29 ENUF ALREADY!!

It's been 5 years that the Honolulu County has been asking for this new non-Judicial Power of Sale to sell Private Property WITHOUT Due Process.

This NON-Judicial Power of Sale based on County civil fines started with



Honolulu Mayor Blangiardi for the last 4 years. Last year, Representative Cory Chun introduced HB29. It was differed by the Finance Committee.

This year similar Power of Sale is introduced by Reps Quinlan, Matayoshi, Marten, and Olds. This Power of Sale affects ALL Counties of Hawaii.

WHY? WHAT are the unintended consequences? Are YOU going to rob your own constituents of DUE PROCESS? Look at your own communities.

**County wants to be YOUR
Police, Prosecutor, Judge, Jury, & Executioner!!!**

“Kill HB29!!”



Quinlan, Sean (D)

Majority Leader

House District 47

Waialua, Hale'iwa, Kawaihoa Beach,
Waimea, Sunset Beach, Waialeale,
Kawela Bay, Kahuku, Lā'ie, Hau'ula,
Punalu'u, Kahana

Hawaii State Capitol, Room 439
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Marten, Lisa (D)

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**NEW
POWER
OF SALE
with
Non-
Judicial**

**Foreclosure
based on
Civil
Fines!!!**

**For
Private
Property**



KILL HB29 HD1!

Hawaii Counties want **NEW POWER OF SALE** to sell your private property **WITHOUT** going to court!

YOUR County wants to be YOUR

Police, Prosecutor, Judge, Jury & Executioner!

Honolulu Planning & Permitting (DPP)
Director Dawn Takeuchi Apuna:

"The Counties currently have and exercises the authority to use the non-judicial foreclosure process for collection of real property tax liens, which this Bill would extend to collection of liens on properties for civil fines.



Honolulu DPP
wants to violate the US
Constitution to
make quick money with
these excuses!

The City has lacked the legal manpower and funding to pursue judicial foreclosures, and believe that the non-judicial foreclosure process is a viable, more efficient and effective method for the City to collect liens on properties for civil fines."

United States Supreme Court Justice
Ruth Bader Ginsburg



"Fourteenth Amendment Protection against excessive punitive economic sanctions secured by the Clause is, to repeat, both "fundamental to our scheme of ordered liberty" and "deeply rooted in this Nation's history and tradition.

... those fines could be used to retaliate against political enemies and have been used as a source of revenue."

NO ~~W~~
DictATORS

~~W~~
POWER BELONGS TO THE PEOPLE.

KILL HB29 HD1



UNCONSTITUTIONAL

RBG: "Fourteenth Amendment Protection against excessive punitive economic sanctions secured by the Clause is, to repeat, both "fundamental to our scheme of ordered liberty" and "deeply rooted in this Nation's history and tradition.

... those fines could be used to retaliate against political enemies and have been used as a source of revenue."

*The counties have many options to address "nuisance property"
HB29 HD1 is burning our private property rights cathedral to fry an egg.*



