

Honolulu, Hawaii

FEB 16 2023

RE: S.B. No. 494
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 494 entitled:

"A BILL FOR AN ACT RELATING TO VACANT AND ABANDONED RESIDENTIAL PROPERTY,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require counties to establish expedited procedures to approve demolition permits for vacant and abandoned residential properties; and
- (2) Allow the Department of Taxation to satisfy certain tax liens through the nonjudicial foreclosure of vacant and abandoned residential properties at any time after establishing vacancy and abandonment.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, two members of the Honolulu City Council, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that abandoned residential properties can impose significant costs on the community and become public safety hazards and magnets for criminal activity. Your Committee



further finds that it is in the public's interest to encourage the use of residential properties and reduce the number of vacant and abandoned homes in the State. This measure will reduce the potential hazards associated with vacant and abandoned residential properties and ensure that they are promptly removed from Hawaii communities.

Your Committee has amended this measure by:

- (1) Specifying that expedited processing of a permit to demolish vacant residential structures shall take not more than twenty-one days from the date of the permit application;
- (2) Specifying that expedited processing for permits to demolish vacant residential structures shall commence no later than January 1, 2024;
- (3) Specifying that an application for a building permit for new construction, rehabilitation, or reconstruction on the parcel for which the expedited demolition permit was approved shall be denied if the permit application for new construction, rehabilitation, or reconstruction is submitted within three hundred sixty-five days of the approval of the expedited demolition permit;
- (4) Specifying that the Department of Taxation shall establish that a residential structure is vacant and abandoned by mailing to the residential structure's owner by certified mail with return receipt a sworn statement establishing that the Department of Taxation has conducted at least two separate inspections, each at least seven days apart and at different times of day, and at each inspection, no occupant was present and there was no evidence of occupancy;
- (5) Inserting an effective date of March 22, 2075, to encourage further discussion; and
- (6) 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. 494, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 494, S.D. 1, and be referred to your Committee on Ways and Means.

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

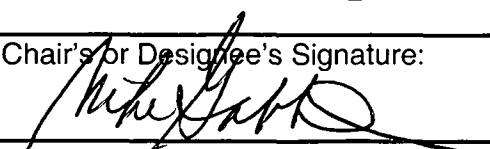


KARL RHOADS, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* SB 494	Committee Referral: JDC, WAM	Date: 2/9/2023		
<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)	✓			
ELEFANTE, Brandon J.C.	✓			
SAN BUENAVENTURA, Joy A.	✓			
AWA, Brenton	✓			
TOTAL	5	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes