

# Special Committee on Real Property Tax Reform on 2026-01-20 9:00 AM

Meeting Time: 01-20-26 09:00

## eComments Report

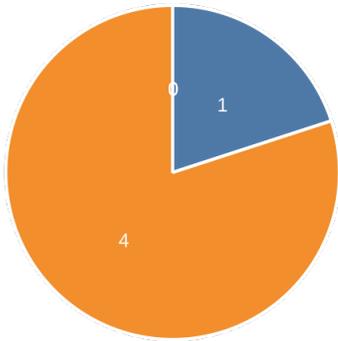
Meetings	Meeting Time	Agenda Items	Comments	Support	Oppose	Neutral
Special Committee on Real Property Tax Reform on 2026-01-20 9:00 AM	01-20-26 09:00	2	5	1	4	0

### Sentiments for All Meetings

The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

#### Overall Sentiment

Support (20%)   Oppose (80%)   Neutral (0%)  
No Response (0%)



# Special Committee on Real Property Tax Reform on 2026-01-20 9:00 AM

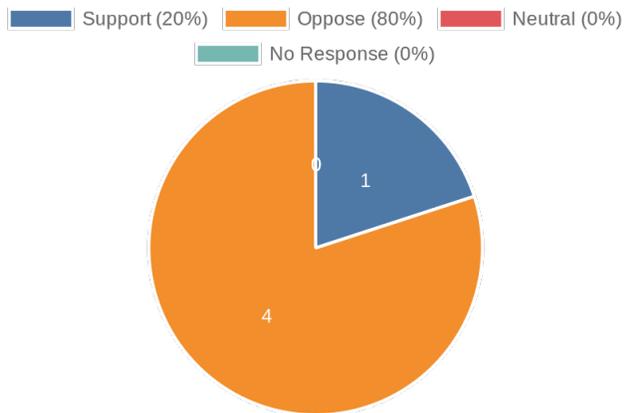
01-20-26 09:00

Agenda Name	Comments	Support	Oppose	Neutral
A G E N D A	1	0	1	0
RPTR-7 Bill 142 (2025) BILL 142 (2025), ON THE HOME EXEMPTION AND LONG-TERM RENTAL EXEMPTION FROM REAL PROPERTY TAX (RPTR-7)	4	1	3	0

## Sentiments for All Agenda Items

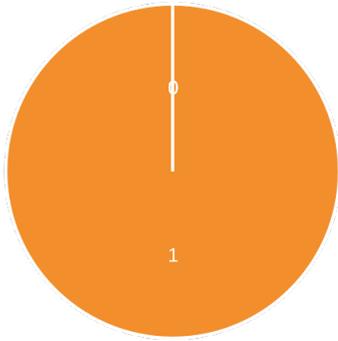
The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

### Overall Sentiment



### Overall Sentiment

Support (0%)   Oppose (100%)   Neutral (0%)  
No Response (0%)



### Guest User

Location:

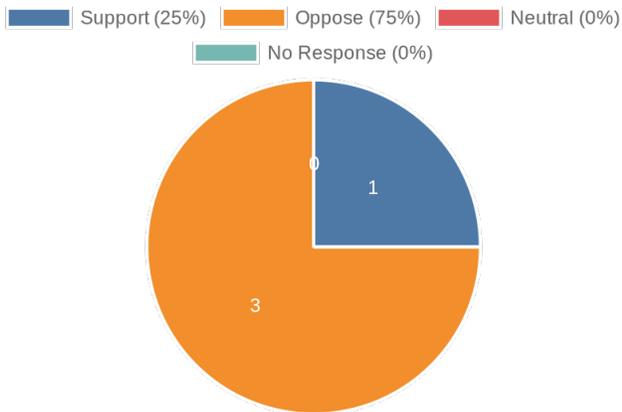
Submitted At: 2:24pm 01-19-26

I oppose Bill 142 (2025) as currently drafted because the Committee has now been placed on clear notice of serious legal and administrative defects that have not been addressed. The residency-duration classifications embedded in this bill—whether five years, ten years, or otherwise—raise direct federal constitutional concerns under long-standing United States Supreme Court precedent. Multiple cases make clear that governments may not distribute public benefits among otherwise qualified residents based on how long they have lived in a jurisdiction without a compelling justification. Proceeding with this structure, after that risk has been expressly identified on the record, exposes the County to predictable federal litigation and likely injunctive relief. That is not policy disagreement; it is foreseeable legal consequence.

In addition, testimony regarding timing and tax-year application highlights a second, independent failure of this bill: it does not align with the real-world administration of property taxes. Many taxpayers have already paid at higher rates, while others are imminently required to do so, yet the bill provides no coherent framework for retroactivity, refunds, or equitable treatment within the same tax year. Advancing legislation that creates unequal outcomes among similarly situated taxpayers—while simultaneously weakening long-term rental incentives and severing alignment with Bill 9 enforcement—demonstrates that this measure is not ready for passage. For these reasons, I oppose Bill 142 as drafted and urge the Committee to defer or substantially amend it before taking further action.

Jolee Bindo  
Waikapu

## Overall Sentiment



### Guest User

Location:

Submitted At: 10:07am 01-20-26

opposing the resource crowley. what type of resource is he, and who does he represent? i try to be nice, but most people say im not, so i could not be a resource on being nice. if you are trying to understand, you dont belong as a resource.

Lore Menin

Kihei Resident

Owner Occupant in a STVR

### Edward Codelia

Location:

Submitted At: 1:55pm 01-19-26

Aloha, I do not oppose tax relief or the original intent of Bill 142; I oppose advancing the bill in its current form because the CD1 materially changes its purpose, weakens housing outcomes, and severs alignment with Bill 9 implementation. Please see the attached testimony. Thank you.

### Guest User

Location:

Submitted At: 8:40am 01-19-26

I will forego offering views on how fair, unfair, vindictive, confiscatory, or prejudicial the proposed real property tax reform bill may be. The Council majority has made its intentions clear in passing Bill 9, so I will not waste my time.

However, what must be noted is that the proposed differential treatment based on "how long" someone has been a resident is blatantly unconstitutional, will be challenged in the federal (not state) courts, and will be struck down. Reasonable minds can disagree on most anything, but fully informed reasonable minds cannot disagree

on that conclusion. Please ask County Counsel to review and advise before stepping off this cliff.

I am not going to do the leg work for the committee, but it might start with *Zobel v. Williams*, 457 U.S. 55 (1982). See at <https://caselaw.findlaw.com/court/us-supreme-court/457/55.html#:~:text=Appellants%2C%20residents%20of%20Alaska%20since%201978%2C%20brought%20this%20suit%20in,2>. Although *Zobel v. Williams* involved a particular benefit, the language in the opinion of the United States Supreme Court was sweeping, based on the 14th Amendment equal protection clause. The Court held that "Alaska's reasoning could open the door to state apportionment of other rights, benefits, and services according to length of residency, and would [457 U.S. 55, 56] permit the states to divide citizens into expanding numbers of permanent classes. Such a result would be clearly impermissible."

Modest residence requirements up to one year to qualify for state benefits may pass muster under some circumstances. Providing unequal treatment of residents based on whether they have been residents for 1, 5, or 10 years does not pass muster.

See also, *Attorney General of N.Y. v. Soto-Lopez*, 476 U.S. 898 (1986). See at <https://caselaw.findlaw.com/court/us-supreme-court/476/898.html#:~:text=%5B%20Footnote%20%20%5D%20As%20was%20observed,As%20we%20explained%20in%20Martinez>: in which the U.S. Supreme Court explained, in no uncertain terms:

A state law implicates the right to travel when it actually deters such travel, see, e. g., *Crandall v. Nevada*, supra, at 46; see also *Shapiro*, supra, at 629, when impeding travel is its primary objective, see *Zobel*, supra, at 62, n. 9; *Shapiro*, supra, at 628-631, or when it uses "any classification which serves to penalize the exercise of that right." *Dunn*, supra, at 340 (quoting *Shapiro*, supra, at 634). Our right-to-migrate cases have principally involved the latter, indirect manner of burdening the right. More particularly, our recent cases have dealt with state laws that, by classifying residents according to the time they established residence, resulted in the unequal distribution of rights and benefits among otherwise qualified bona fide residents. 3 *Hooper*, [476 U.S. 898, 904] supra; *Zobel v. Williams*, 457 U.S. 55 (1982); *Sosna v. Iowa*, 419 U.S. 393 (1975); *Memorial Hospital*, supra; *Dunn v. Blumstein*, 405 U.S. 330 (1972); *Shapiro*, supra.

Because the creation of different classes of residents raises equal protection concerns, we have also relied upon the Equal Protection Clause in these cases. Whenever a state law infringes a constitutionally protected right, we undertake intensified equal protection scrutiny of that law. See, e. g., *Cleburne v. Cleburne Living Center, Inc.*, 473 U.S. 432, 440 (1985); *Martinez v. Bynum*, 461 U.S. 321, 328, n. 7 (1983); *Plyler v. Doe*, 457 U.S. 202, 216-217, and n. 15 (1982); *Memorial Hospital*, supra, at 258, 262; *San Antonio Independent School District v. Rodriguez*, 411 U.S. 1, 16, and n. 39, 30-32, 40 (1973); *Police Dept. of Chicago v. Mosley*, 408 U.S. 92, 101 (1972); *Dunn*, supra, at 335, 342; *Shapiro*, supra, at 634. Thus, in several cases, we asked expressly whether the distinction drawn by the State between older and newer residents burdens the right to migrate. Where we found such a burden, we required the State to come forward with a compelling justification. See, e. g., *Shapiro v. Thompson*, supra; *Dunn*, supra; *Memorial Hospital v. Maricopa County*, 415 U.S. 250 (1974). In other cases, where we concluded that the contested classifications did not survive even rational-basis scrutiny, we had no occasion to inquire whether enhanced scrutiny was appropriate. *Hooper*, supra; *Zobel*, supra. The analysis in all of these cases, however, is informed by the same guiding principle - the right to migrate protects residents of a State from being disadvantaged, or from being treated differently, simply because of the timing of their migration, from other similarly situated residents. 4 *Hooper*, [476 U.S. 898, 905] supra, at 618, n. 6; *Zobel*, supra, at 60, n. 6; *Memorial Hospital*, supra, at 261; *Shapiro*, supra, at 629-631.

The United States Supreme Court has repeatedly made clear that the County may not do what has been proposed. It is so blatantly unconstitutional that I would expect a U.S. district Court to grant injunctive relief while it fully plays out. The County should not waste limited resources litigating over new legislation that has no chance of surviving judicial review.

## Guest User

Location:

Submitted At: 7:39am 01-16-26

Committee Members - for the 2025-2026 tax year many of us have already paid our property taxes that were calculated using higher STR or Second Home rates. In addition, those that may not have, must pay within the

next month. Please add language allowing this to apply to this current tax bill. That way those of us that have already paid can't request refunds for the difference between the taxes paid and the taxes if it had been calculated as a homestead.

Thank you

Brandon Harris  
5126267399  
Bharris3880@gmail.com

**Maui County Council**  
**Special Committee on Real Property Tax Reform (RPTR)**  
**January 20, 2026**  
**Agenda Item: RPTR-7 – Bill 142 (2025)**  
**Home Exemption and Long-Term Rental Exemption from Real Property Tax**

Aloha Chair and Members of the Committee,

I submit this testimony to address Bill 142 (2025) as it currently stands following the January 12, 2026 Committee Draft 1 (CD1). I do so plainly and directly because the changes made by CD1 are not merely technical clean-ups. They represent a substantive shift in tax policy, housing policy, and post-Bill 9 implementation strategy that has not been clearly acknowledged or justified in the public record.

My purpose is not to oppose tax relief for resident homeowners. My concern is that this Committee is being asked to advance a materially different ordinance than the one originally introduced, without the findings, fiscal analysis, or policy alignment that such a shift requires—particularly given its interaction with Bill 9 and the County’s stated reliance on enforcement mechanisms such as the Temporary Investigative Group (TIG).

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### **Original intent and policy logic**

As introduced, Bill 142 had a clear and defensible purpose.

First, it corrected an administrative inequity by allowing timely applicants for both the **Home Exemption** and the **Long-Term Rental Exemption** to receive relief on the *next* tax payment, rather than waiting an additional cycle.

Second, it encouraged local owner-occupancy by expanding Home Exemption eligibility to **long-term County residents** who purchased homes transitioning *out* of transient use.

That structure mattered. It explicitly linked tax relief to outcomes the County has publicly promoted in the wake of the fires and Bill 9: long-term residency, owner-occupancy, housing stabilization, and exit from transient accommodation use. In that form, Bill 142 functioned as a rational tax-side companion to Bill 9’s zoning prohibition.

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### **What the January 12, 2026 CD1 actually does**

The January 12 CD1 fundamentally alters that structure.

First, it **removes next-payment acceleration for the Long-Term Rental Exemption**, while preserving it for the Home Exemption. That is not a neutral adjustment. It quietly eliminates a

meaningful incentive for long-term rental participation at a time when rental supply stability is a stated County priority.

Second, it **reduces the residency requirement from 10 years to 5 years**. This is not a drafting correction. It is a substantive policy recalibration that significantly broadens eligibility and shifts fiscal exposure.

Third, it **deletes the requirement that the property have been previously used for transient accommodations**. This is the most consequential change. With that deletion, Bill 142 no longer functions as an STR-to-housing transition tool at all. It becomes a general Home Exemption expansion untethered from prior use, conversion behavior, or Bill 9 compliance.

Fourth, deed-recording and timing flexibility are expanded without corresponding guardrails, introducing administrative ambiguity and enforcement risk.

Taken together, these changes transform Bill 142 from a targeted transition and recovery measure into a broad homeowner tax policy expansion—without updated findings, fiscal analysis, equity analysis, or an honest restatement of legislative intent.

Calling this a “committee substitute” understates what has occurred. This is a policy pivot.

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## Why this matters — especially in the context of Bill 9

Bill 9 is a zoning prohibition. It removes a use right, but it does not, by itself:

- create enforcement capacity
- trigger tax reclassification automatically
- require inter-departmental coordination
- or provide mitigation mechanisms

Those gaps are why the County has publicly discussed the need for the TIG and other enforcement coordination tools.

Originally, Bill 142 helped fill part of that gap. As amended, it no longer does.

As written now, Bill 142:

- does **not** incentivize STR exit or conversion,
- does **not** support long-term rental supply,
- does **not** condition tax relief on zoning compliance, and
- does **not** align with enforcement or TIG activity in any meaningful way.

In practical terms, the County is advancing a zoning prohibition (Bill 9), discussing enforcement capacity (TIG), and simultaneously expanding tax exemptions **without connecting any of these systems**.

That is not implementation. That is siloed policymaking.

Worse, it weakens the County's own narrative that Bill 9 was accompanied by reasonable mitigation tools. This matters not only for housing outcomes, but for legal, equity, and public-trust reasons.

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## Policy, equity, and fiscal risks

Policy changes of this magnitude should not move forward without clear answers to basic questions:

- Who benefits from this expansion, and who does not?
- What is the revenue impact, and over what duration?
- Does this change support or undermine long-term rental availability?
- Why is long-term rental relief reduced while homeowner relief is expanded?
- How does this interact with Bill 9 enforcement and post-STR tax reclassification?

Absent guardrails, this ordinance risks becoming a **permanent structural tax change justified by temporary post-disaster conditions**, a pattern this County has repeatedly struggled to unwind.

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## Recommended amendments and guardrails

If this Committee intends to advance Bill 142 responsibly, I urge consideration of the following before first-reading recommendation:

1. **Restore next-payment acceleration for the Long-Term Rental Exemption**, or explicitly state—on the record—why supporting long-term rentals is no longer a County objective.
2. **Add a sunset or mandatory review clause** (e.g., three tax years) to prevent temporary recovery-era policy from becoming permanent by default.
3. **Rewrite the purpose section honestly**. If the bill is no longer tied to STR conversion, disaster recovery, or Bill 9 mitigation, the ordinance should say so plainly.
4. **Require a fiscal and equity impact statement** prior to final passage, especially given the reduced residency threshold and broadened eligibility.
5. **Consider income-, value-, or use-based guardrails** so the expanded Home Exemption benefits residents most sensitive to property tax burden rather than functioning as an untargeted subsidy.

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## **Conclusion**

Bill 142 began as a thoughtful, targeted effort to correct timing inequities and support housing transition in a post-fire, post-Bill-9 environment. The January 12 CD1 changes that character entirely—without a corresponding explanation, analysis, or policy framework.

This Committee still has the opportunity, at first reading, to correct course. Advancing this bill without acknowledging and addressing these shifts would not be reform; it would be avoidance.

Mahalo for the opportunity to submit testimony and for your consideration of these issues.

Edward Codelia  
Maui Resident