BILL046(26)
Testimony

MISC. COMM. 307

*BUDGET (BUD)

***BUDGET (BUD) Meeting**

Meeting Date: Jul 14, 2026 @ 09:00 AM

Support: 1

Oppose: 1

I wish to comment: 1

Name:	Email:	Zip:
Jonathan Huynh	jhweather123@yahoo.com	96792
Representing:	**Position:**	**Submitted:**
Self	I wish to comment	Jul 13, 2026 @ 06:59 AM

Testimony:

Aloha,

Thank you for the opportunity to comment on Bill 46. I'm a homeowner and resident. I'm submitting comments only, not support or opposition, because I think this bill, like Bill 45, patches over a problem without fixing what's causing it.

The raise from $180,000 to $200,000 saves seniors about $70 a year. Helpful, but small. What worries me more is that the bill wipes out the stepped exemptions older seniors currently get at 75, 80, 85 and up. Those extra amounts acknowledged something real: as people age, expenses pile up and fixed incomes buy less. Smoothing everyone into one flat $200,000 at 65 sounds tidy, but it quietly takes from the oldest and frailest to give the same amount to someone who just retired.

At the same time, none of this touches why property taxes keep climbing in the first place. Home values keep rising because we're not building enough housing. Zoning rules block new homes, speculators snap up properties, and vacant units sit unused while families compete for what's left. Bumping the exemption every couple years doesn't solve that. It just buys a little time.

I agree with Director Kawano's suggestion to set up a permitted interaction group to look at property tax reform as a whole. Right now we're passing these bills one at a time, each adding millions in lost revenue on top of the last, without stepping back to ask whether the whole system works.

If the Council moves forward, I would ask that someone look hard at what happens to the oldest seniors when those tiers disappear, and whether they need to be brought back. Mahalo for your time and consideration.

Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	37138
Representing:	**Position:**	**Submitted:**
Grassroot Institute of Hawaii	Support	Jul 13, 2026 @ 08:17 AM

Name:	Email:	Zip:
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Representing:	**Position:**	**Submitted:**
Self	Oppose	Jul 13, 2026 @ 02:38 PM

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Removing barriers to Hawaii's prosperity

July 14, 2026, 9 a.m.
Honolulu Hale

To: Honolulu City Council Committee on Budget
Val A. Okimoto, Chair
Scott Y. Nishimoto, Vice Chair

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

RE: Bill 46 (2026) — RELATING TO REAL PROPERTY TAXATION

Aloha Chair Okimoto, Vice Chair Nishimoto and other members of the Committee,

The Grassroot Institute of Hawaii **supports** Bill 46 (2026), which would increase the real property tax homeowner exemption for those 65 years old and older to $200,000 from $180,000 beginning in fiscal 2029.

This measure would provide tax relief to elderly Honolulu homeowners squeezed by increasing assessments. Bumping up the homeowner exemption by $20,000 would save each homeowner $70 at the current residential tax rate of $3.50 per $1,000 in assessed value.[1]

Last year, this Council passed a bill to increase the homeowner exemption to $180,000 from $160,000 starting in fiscal year 2028.[2] Before that, the exemption was last increased in 2023, for tax years beginning with fiscal 2024.[3] Passing Bill 46 (2026) now would head off possible increases in property values that could occur in the next two years.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[1] Resolution 26-62, Honolulu Records Collection, accessed July 6, 2026.
[2] Ordinance 25-42, Honolulu Records Collection, accessed July 6, 2026.
[3] Ordinance 23-33, Honolulu Records Collection, accessed July 6, 2026.

Damien Waikoloa
Honolulu, HI 96822

Honolulu City Council - Committee on Budget
530 S. King St.
Honolulu HI 96813

July 14, 2026

RE: Oppose Bill 45 (2026) & Bill 46 (2026) - Relating to Real Property Taxation

Aloha Chair Okimoto, Vice Chair Nishimoto, and Council Members,

I respectfully submit this testimony in **opposition to Bills 45 and 46.**

I oppose these measures because they reflect a misguided approach to reducing the cost of living for Oʻahu residents. While these bills are intended to provide tax relief, they offer little meaningful benefit to taxpayers while costing the City more than $10 million in annual revenue that could instead be invested in solutions that actually reduce the cost of living and strengthen our communities.

There are three reasons why I oppose these proposals.

First, the estimated annual savings of approximately $70 per property owner is simply too small and too infrequent to make a meaningful difference for most cost-burdened residents. I am a homeowner who would qualify for these increased exemptions, yet my homeowner's insurance premium increased by more than $1,000 in 2025 and is expected to increase by at least another $350 in 2026. A $70 annual property tax reduction is meaningless when it is immediately erased by rising insurance costs.

The reality is that lowering insurance costs requires reducing risk. **Meaningful investments that protect communities from flooding and wildfire are not something individual homeowners can accomplish with an extra $70 a year.** They require coordinated action by local, state, and federal governments to strengthen infrastructure, improve emergency preparedness, and reduce the loss of life and property during future disasters. I have seen no evidence that the City is making those kinds of investments or taking meaningful action to prepare for the next major natural disaster.

Second, these bills come at a significant cost. The Department of Budget and Fiscal Services estimates they will reduce City revenue by more than $10 million every year, not including the revenue already lost from last year's increase in homeowner exemptions. As a property owner, **I would much rather see those funds invested in projects that reduce flooding on the**

North Shore, improve flood protection within the Ala Wai Watershed, or mitigate wildfire risk for communities on the West and Central Oʻahu. Those investments would protect lives, reduce future insurance costs, and provide lasting value for every resident.

Finally, this is an imbalanced economic policy. Approximately half of Oʻahu residents are renters, yet these bills offer them nothing. Property owners are receiving a second consecutive round of symbolic tax relief while renters continue to struggle with rising housing costs and receive no meaningful assistance. **It is especially disappointing that this Council appears more willing to consider dismantling the City's Bill 7 program than to consider policies that would provide direct relief for renters.**

I respectfully ask the Council to reject Bills 45 and 46. Instead of pursuing symbolic tax reductions that provide little real benefit, I urge the Council to focus on policies and investments **that meaningfully reduce the weekly and monthly cost of living for all Oʻahu residents**, whether they own a home or rent one.

Mahalo,

Damien Waikoloa