

NOTICE OF PUBLICATION AND NOTICE OF PUBLIC HEARING

Notice is hereby given that the Kauaʻi County Council will hold a public hearing on Wednesday, October 28, 2026, at 8:30 a.m., or soon thereafter, at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Līhuʻe, on the following:

Bill No. 3006

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 1193, RELATING TO CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Tax Credit, Additional Applications*)

This Bill proposes to provide a more equitable timeframe and broader window of eligibility for the first round of applications for the new Owner-Occupied Principal Home Tax Credit created by Ordinance No. 1193. Because Ordinance No. 1193 did not take effect until May 28, 2026 and the first application period ended on June 30, 2026, feedback has been received that the public did not have sufficient time to apply. Details regarding eligibility are set forth in the Bill.

Bill No. 3008

A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, ARTICLE 9, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY DEDICATED AS ‘ĀINA KŪPUNA

This Bill proposes to create an ‘Āina Kūpuna real property tax dedication for eligible taxpayers who are descendants of a person who owned, or leased pursuant to a 999-year homestead lease currently managed by the State Department of Land and Natural Resources, applicable property at any time prior to the proclamation of Hawaiʻi's statehood (August 21, 1959). Dedication would be for a period of ten (10) years, during which time the property would be: (1) Subject to the minimum tax; and (2) Exempt from all penalties and interest due to delinquency preceding dedication as ‘āina kūpuna. Eligibility and other details are set forth in the Bill.

Any person may testify at the public hearing, and at any Council and Committee Meeting (at which time any Bill may be amended). Meeting notices and full-text Bills are available at least six (6) days in advance at the Office of the County Clerk, Council Services Division and kauai.gov/Government/Council/Webcast-Meetings. Written testimony may be submitted via counciltestimony@kauai.gov, mail, or fax. For further information, please call (808) 241-4188.

CERTIFICATE OF THE COUNTY CLERK

I hereby certify that the Kauaʻi County Council passed on first reading and ordered to print Bill No. 3006 and Bill No. 3008 during the September 30, 2026 Council Meeting, by the following vote:

AYES:	Bulosan, Carvalho, Cowden, Holland, Kaneshiro, Rapozo	TOTAL – 6,
NOES:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kualiʻi	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Līhuʻe, Hawaiʻi
September 30, 2026

/s/ Jade K. Fountain-Tanigawa
County Clerk, County of Kauaʻi

NOTE: IF YOU NEED AN AUXILIARY AID/SERVICE, OTHER ACCOMMODATION DUE TO A DISABILITY, OR AN INTERPRETER FOR NON-ENGLISH SPEAKING PERSONS, PLEASE CONTACT THE OFFICE OF THE COUNTY CLERK, COUNCIL SERVICES DIVISION AT (808) 241-4188 OR COKCOUNCIL@KAUAI.GOV AS SOON AS POSSIBLE. REQUESTS MADE AS EARLY AS POSSIBLE WILL ALLOW ADEQUATE TIME TO FULFILL YOUR REQUEST.

UPON REQUEST, THIS NOTICE IS AVAILABLE IN ALTERNATE FORMATS SUCH AS LARGE PRINT, BRAILLE, OR ELECTRONIC COPY.

(One publication – The Garden Island – October 7, 2026)

ORDINANCE NO. _____

BILL NO. 3006

**A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 1193,
RELATING TO CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED,
RELATING TO REAL PROPERTY TAX**

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII:

SECTION 1. Purpose. The purpose of this Ordinance is to provide a more equitable timeframe and broader window of eligibility for the first round of applications for the new Owner-Occupied Principal Home Tax Credit created by Ordinance No. 1193. Because Ordinance No. 1193 did not take effect until May 28, 2026 and the first application period ended on June 30, 2026, feedback has been received that the public did not have sufficient time to apply.

SECTION 2. Ordinance No. 1193 is amended by amending its SECTION 7 to read as follows:

“SECTION 7. This Ordinance shall take effect upon its approval (with the first application period ending [June 30, 2026] January 31, 2027 relating to tax year and fiscal [year 2026-2027).] years 2026-2027 and 2025-2026. For these first two tax and fiscal years, a taxpayer whose deed for the property has been recorded between October 1, 2024 and June 30, 2026 may file an application between the effective date of this Ordinance and January 31, 2027, provided the taxpayer is otherwise eligible for the credit. These applicants may receive the credit relating to one (1) tax year only.”

SECTION 3. If any provision of this Ordinance or application thereof to any person or circumstance is held invalid, the invalidity does not affect the other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of this Ordinance are severable.

SECTION 4. Ordinance material to be repealed is bracketed. New Ordinance material is underscored. When revising, compiling, or printing this Ordinance for inclusion in the Kauai County Code 1987, as amended, the brackets, bracketed material, and underscoring shall not be included.

SECTION 5. This Ordinance shall take effect upon its approval.

Introduced by:



MEL RAPOZO

DATE OF INTRODUCTION:

September 30, 2026

Lihu'e, Kauai, Hawaii

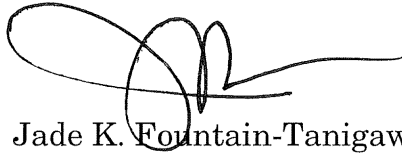
https://kauaicounty.sharepoint.com/sites/Taskseffective9152026Temporary/Shared Documents/General/BILLS/2026-409Bill RPT Owner-Occupied Principal Home Tax Credit Additional Application MR_JA_mn.docx

CERTIFICATE OF THE COUNTY CLERK

I hereby certify that heretofore attached is a true and correct copy of Bill No. 3006, which was passed on first reading and ordered to print by the Council of the County of Kaua'i at its meeting held on September 30, 2026, by the following vote:

FOR PASSAGE:	Bulosan, Carvalho, Cowden, Holland, Kaneshiro, Rapozo	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kuali'i	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Līhu'e, Hawai'i
September 30, 2026



Jade K. Fountain-Tanigawa
County Clerk, County of Kaua'i

ORDINANCE NO. _____

BILL NO. 3008

**A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, ARTICLE 9,
KAUAI COUNTY CODE 1987, AS AMENDED,
RELATING TO REAL PROPERTY DEDICATED AS ‘ĀINA KŪPUNA**

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII:

SECTION 1. Purpose. The purpose of this Ordinance is to create an ‘Āina Kūpuna real property tax dedication for eligible taxpayers who are descendants of a person who owned, or leased pursuant to a 999-year homestead lease currently managed by the State Department of Land and Natural Resources, applicable property at any time prior to the proclamation of Hawai‘i’s statehood (August 21, 1959).

SECTION 2. Kauai County Code 1987, as amended, Chapter 5A, Article 9 (Value of Dedicated Lands), is hereby amended by adding a new Section to be appropriately designated (likely as Section 5A-9.5) and to read as follows:

**“Section 5A-9.____
Real Property Dedicated as ‘Āina Kūpuna**

(a) Definitions. As used in this Section:

“Agriculture” means the production and cultivation of plant and animal life for food, fiber, or raw materials for processed products, including, but not limited to, forestry, aquaculture, beekeeping, grazing, dairying, agricultural tourism, farm stays, roadside stands for the sale of agricultural products grown on the same property, the growing of fruits, vegetables, and flowers, and accompanying services and facilities.

“Commercial purposes” means the production, processing, manufacturing, warehousing, distribution, sale, or offer for sale of goods, or the operation of transient vacation rentals, short-term rental homes, and bed and breakfast homes. “Commercial purposes” does not include agriculture.

“Descendant” means the same as defined in Hawai‘i Revised Statutes Section 560:1-201.

(b) There is established a special land reserve to enable the owner or the applicable lessee of a parcel of land to dedicate it as ‘āina kūpuna for a dedication period of ten (10) years, during which time the property is:

- (1) Subject to the minimum tax; and
 - (2) Exempt from all penalties and interest due to delinquency preceding dedication as ‘āina kūpuna.
- (c) A property is eligible for dedication as ‘āina kūpuna, if all the following are met:
- (1) The property is not larger than five (5) acres.
 - (2) The property:
 - (A) Is owned in fee simple, whether in whole, in part, or held in trust, by:
 - (i) One (1) or more descendants of a person who owned the property at any time prior to August 21, 1959; or
 - (ii) A privately held corporation, limited liability company, or other entity in which:
 - (a) More than fifty percent (50%) of the ownership interest is owned by one (1) or more descendants of a person who owned the property at any time prior to August 21, 1959; and
 - (b) Stock is not owned by, sold to, or offered for sale to the public; or
 - (B) Is currently or was formerly held pursuant to a 999-year homestead lease currently managed by the State Department of Land and Natural Resources at any time prior to August 21, 1959, and the property is currently leased by one (1) or more descendants of the original homestead lessee.
 - (3) The total amount of real property taxes assessed on the property for the ten (10) tax years immediately preceding a petition for dedication as ‘āina kūpuna is more than \$10,000, unless the property receives a Dedication of Land for Agricultural Use pursuant to Section 5A-9.1, in which case the total amount of real property taxes that would have been assessed absent the Dedication of Land for Agricultural Use for the ten (10) tax years immediately preceding a petition for dedication as ‘āina kūpuna shall be more than \$10,000.
 - (4) The owner or applicable lessee of the property does not own or lease any other property dedicated as ‘āina kūpuna.

(5) At least one (1) owner or trustee or member of the board of the directors on behalf of an owner, as the case may be, resides within the County.

(d) With respect to a property dedicated as ‘āina kūpuna, the following are prohibited:

(1) Conveyance of the property to any person other than another descendant of:

(A) A person who owned the property at any time prior to August 21, 1959; or

(B) The original homestead lessee if the dedication was granted pursuant to Section 5A-9.__(c)(2)(B).

(2) Use of the property for commercial purposes beyond thirty (30) days after a warning notice has been issued to the owner or applicable lessee by the Director or other later date as the Director may specify in the notice;

(3) Failure of the petitioner, at the petitioner’s expense, to record the dedication with the State Bureau of Conveyances or Land Court, as applicable beyond thirty (30) days after a warning notice has been issued to the owner or applicable lessee by the Director or other later date as the Director may specify in the notice, unless the Director waives this requirement; and

(4) Any other action that results in the property being no longer eligible for the dedication.

(e) Failure to comply with the prohibitions set forth in Subsection (d) shall terminate the dedication retroactive to the date of the initial dedication or, if applicable, the date of the most recent renewal; in which case, all differences in the amount of taxes that were paid and those that would have otherwise been due from assessment, absent the dedication, will be due and payable with a ten percent (10%) penalty from the respective dates that these payments would have been due.

(f) The additional taxes and penalties, due and owing as a result of a termination of the dedication will be a paramount lien upon the property as provided in this Chapter.

(g) No later than September 30 immediately preceding the first tax year in which the dedication is to be applied, any owner or applicable lessee who desires to dedicate real property as ‘āina kūpuna shall petition the Director, in a form prescribed by the Director, including:

(1) A signed acknowledgement of and agreement to comply with all restrictions, conditions, and provisions applicable to the dedication; and

(2) Sufficient information or documentation to establish eligibility for the dedication.

(h) The Director may require the petitioner to provide, at the petitioners' expense, supplemental or additional information or documentation as may be necessary to verify ownership or lease of the property, descendancy, or other eligibility under this Article, including, but not limited to deeds, court orders, wills, trusts, birth certificates, death certificates, genealogical verification by the Office of Hawaiian Affairs, and other legally valid records.

(i) Upon determination that the petitioner and property are eligible for dedication under this Article, the Director shall declare the property to be dedicated as 'āina kūpuna and notify the petitioner thereof. The petitioner shall, at the petitioner's expense, record the dedication with the State Bureau of Conveyances or Land Court, as applicable. The Director shall prescribe the form of the dedication to be recorded.

(j) Upon determination that the petitioner or the property is not eligible for dedication as 'āina kūpuna, the Director shall notify the petitioner on or before December 1st following when the petition was made. The petitioner may appeal the determination as in the case of an appeal from an assessment.

(k) If an owner or applicable lessee fails or declines to renew the dedication by September 30 of the final tax year of the dedication period:

(1) The dedication will terminate at the end of the final tax year; and

(2) The Director shall thereafter tax the property as otherwise provided in this chapter.

(l) No later than February 1 immediately preceding the final tax year of the dedication period, the Director shall notify the owner or applicable lessee, by mail, of the provisions of Subsection (k) and the form in which the renewal must be made.

(m) The Director shall submit to the Council an annual report on or before December 31 of each year, including the following:

(1) Annual number of petitioners;

(2) Total number of participants;

(3) Estimated total of the annual tax relief through this dedication;
and

(4) Estimated average of the annual tax relief per participant.”

SECTION 3. If any provision of this Ordinance or application thereof to any person or circumstance is held invalid, the invalidity does not affect the other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of this Ordinance are severable.

SECTION 4. All Ordinance material is new for inclusion in the Kaua‘i County Code 1987, as amended. The assigned Section number for the new Kaua‘i County Code 1987, as amended, Chapter 5A, Article 9, “Section 5A-9. __ Real Property Dedicated as ‘Āina Kūpuna” shall be inserted in the blanks throughout.

SECTION 5. This Ordinance shall take effect upon its approval (allowing codification, creation of forms, and applications due by September 30, 2027), with changes to impact the Tax Year beginning July 1, 2028.

Introduced by: /s/ MEL RAPOZO
/s/ FERN HOLLAND

DATE OF INTRODUCTION:

September 30, 2026

Līhu‘e, Kaua‘i, Hawai‘i

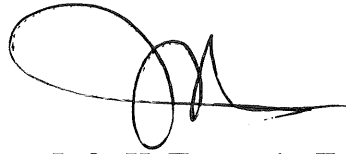
[https://kauaicounty.sharepoint.com/sites/Taskseffective9152026Temporary/Shared Documents/General/BILLS/Amended Bill No. 3008 Aina Kupuna \(MR FH\) JA_ss.docx](https://kauaicounty.sharepoint.com/sites/Taskseffective9152026Temporary/Shared Documents/General/BILLS/Amended Bill No. 3008 Aina Kupuna (MR FH) JA_ss.docx)

CERTIFICATE OF THE COUNTY CLERK

I hereby certify that heretofore attached is a true and correct copy of Bill No. 3008, which was passed on first reading and ordered to print by the Council of the County of Kaua'i at its meeting held on September 30, 2026, by the following vote:

FOR PASSAGE:	Bulosan, Carvalho, Cowden, Holland, Kaneshiro, Rapozo	TOTAL – 6,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kuali'i	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Līhu'e, Hawai'i
September 30, 2026



Jade K. Fountain-Tanigawa
County Clerk, County of Kaua'i