Honolulu, Hawaii

March 24 , 2006

RE: S.B. No. 2076
      S.D. 2
      H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

     Your Committee on Consumer Protection & Commerce, to which
was referred S.B. No. 2076, S.D. 2, H.D. 1, entitled:

     "A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION,"

begs leave to report as follows:

     The purpose of this bill is to encourage lessors of
residential properties to sell their fee interest by providing an
income tax exemption for 100 percent of the gain realized from the
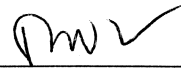sale.

     Hawaii Independent Condominium & Cooperative Owners, Hawaii
Council of Associations of Apartment Owners, and Hawaii
Association of Realtors supported this bill. The Department of
Taxation and Tax Foundation of Hawaii commented.

     Your Committee finds that this bill addresses the repeal of
chapter 38 of the Revised Ordinances of Honolulu in 2005, which
allowed the City and County to mandate leasehold conversion of
multi-family residential leasehold units.

     As affirmed by the record of votes of the members of your
Committee on Consumer Protection & Commerce that is attached to
this report, your Committee is in accord with the intent and
purpose of S.B. No. 2076, S.D. 2, H.D. 1, and recommends that it
be referred to the Committee on Finance.

SB2076 HD1 HSCR CPC HMS 2006-2914

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

_____
ROBERT N. HERKES, Chair

State of Hawaii
House of Representatives
The Twenty-third Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 2076 SD2 HD1	Date: 03/20/06
Committee Referral: HSG, CPC, FIN	☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☑ Pass, unamended   ☐ Pass, with amendments

☐ Hold   ☐ Recommit

CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	✓			
2. SCHATZ, Brian (VC)	✓			
3. CALDWELL, Kirk				✓
4. ITO, Ken	✓			
5. KANOHO, Ezra R.				✓
6. KARAMATSU, Jon Riki	✓			
7. MORITA, Hermina M.				✓
8. SONSON, Alex M.	✓			
9. SOUKI, Joseph M.	✓			
10. MARUMOTO, Barbara C.	✓			
11. STONEBRAKER, Bud	✓			
TOTAL	8			3

The recommendation is: ☑ Adopted

☐ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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