

STAND. COM. REP. NO.

2043

Honolulu, Hawaii

Feb. 14, 2006

RE: S.B. No. 3067
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,
to which was referred S.B. No. 3067 entitled:

"A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY
ASSOCIATIONS,"

begs leave to report as follows:

The purpose of this measure is to establish that, in the case
of a voluntary conveyance, the grantee of a unit in a planned
community association is jointly and severally liable with the
grantor for all unpaid assessments against the grantor up to the
time of the grant or conveyance.

Your Committee received testimony in support of this measure
from the Community Associations Institute-Hawaii Chapter, Mililani
Town Association, and one individual.

This measure establishes joint and several liability between
the grantee and grantor of a unit in a voluntary conveyance of the
unit and gives the grantee the right to recover from the grantor
the amounts paid by the grantee. This measure protects planned
community associations from the loss of assessments, and buyers
from having a lien for unpaid assessments encumbering the property
after closing.

Your Committee has amended this measure by making technical,
nonsubstantive amendments for clarity and style.



As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3067, S.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

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



RON MENOR, Chair



