

STAND. COM. REP. NO. 2115

Honolulu, Hawaii

A-823 , 2007

RE: S.C.R. No. 160
S.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.C.R. No. 160, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING A SUNRISE REVIEW OF THE REGULATION OF ENTITIES GOVERNED BY CHAPTER 514A OR 514B, HAWAII REVISED STATUTES, AND THE ENFORCEMENT OF POLICIES RELATING TO CONDOMINIUMS IN THE STATE THROUGH THE CREATION OF A CONDOMINIUM COMMISSION,"

begs leave to report as follows:

The purpose of this concurrent resolution is to request the Auditor to perform a sunrise review of the regulation of entities governed by chapters 514A and 514B, Hawaii Revised Statutes, relating to condominiums, for the purpose of creating a condominium commission.

Your Committee received testimony in support of this measure from the Hawaii Independent Condominium and Cooperative Owners, the Association of Apartment Owners of the Promenade, Wailana at Waikiki Condominium, Naha Apartments, Friends of Waikiki Banyan, Hawaii Council of Associations of Apartment Owners, and many concerned individuals several of which are past Presidents of their respective condominium association Boards of Directors. The Real Estate Commission offered comments on the measure, and the Hawaii Association of Realtors expressed reservations.

Your Committee finds that the Real Estate Commission is responsible for enforcing the laws, rules, and policies governing

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the rights and responsibilities of persons owning and residing in condominiums. Your Committee further finds that since the Real Estate Commission's primary mission is to license and regulate real estate professionals, and since approximately twenty percent of Hawaii's population resides within condominiums, it may behoove the Real Estate Commission to transfer all condominium duties to a separate condominium commission whose sole responsibility would be to govern condominium laws, rules, and policies.

While your Committee believes in the intent of this bill, it does have concerns about the applicability of 26H-6, Hawaii Revised Statutes, to condominiums as they are entities and not unregulated professions or vocations. As such, they may not be subject to 26H-6, and the creation of a commission may therefore not be subject to an analysis by the auditor. Your Committee urges the Committee on Legislative Management to explore this matter further.

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 concurs with the intent and purpose of S.C.R. No. 160, S.D. 1, and recommends that it be referred to the Committee on Legislative Management.

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



ANGUS L. K. MCKELVEY, Vice-
Chair

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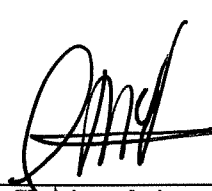
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HSCR 2115

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SCR 160 SD 1		Date: April 20, 2007		
Committee Referral: CPC, LMG		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	✓			
2. McKELVEY, Angus L.K. (VC)	✓			
3. CALDWELL, Kirk	✓			
4. EVANS, Cindy	✓			
5. GREEN, Josh, M.D.				x
6. ITO, Ken				x
7. LUKE, Sylvia				x
8. MORITA, Hermina M.	x			
9. SONSON, Alex M.	x			
10. SOUKI, Joseph M.				x
11. TSUJI, Cliff	x			
12. YAMANE, Ryan I.	x			
13. YAMASHITA, Kyle T.	x			
14. MARUMOTO, Barbara C.	x			
15. THIELEN, Cynthia				x
TOTAL	10	0	0	5
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				