

STAND. COM. REP. NO.

**1380**

Honolulu, Hawaii

MAR 30 2007

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

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and  
Affordable Housing, to which was referred S.C.R. No. 160 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING A SUNRISE REVIEW OF  
THE REGULATION OF ENTITIES GOVERNED BY CHAPTER 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 measure is to request a sunrise review of  
the regulation of entities governed by chapter 514B, Hawaii  
Revised Statutes (HRS), and the enforcement of policies relating  
to condominiums in the State through the creation of a condominium  
commission.

Your Committee received testimony in support of this measure  
from the Hawaii Council of Association of Apartment Owners, the  
Hawaii Independent Condominium and Co-op Owners, and six  
individuals. The Real Estate Commission provided comments on this  
measure.

Your Committee finds that condominium owners face many  
important issues and that, with the changes made to the  
condominium law over the last few years, clarity needs to be  
provided and there must be a method to ensure that the current  
condominium law is being executed properly.



Your Committee also finds that section 1 of S.B. No. 1837, introduced during the 2007 Regular Session, proposed the creation of a condominium commission to oversee the implementation and regulation of chapter 514B, HRS, and to develop, implement, and enforce policies relating to condominiums in the State. This measure, in compliance with section 26H-6, HRS, requests the Auditor to conduct a sunrise review on the regulation of entities governed by chapter 514B, HRS, as well as the creation of a condominium commission, as proposed in section 1 of S.B. No. 1837.

Your Committee notes that a concern was raised as to the duplicative costs that may arise if a condominium commission is created, as there is already an existing Real Estate Commission that is tasked with addressing condominium issues. Your Committee notes that although this concern may be valid, it may be premature as this measure merely requests the Auditor to conduct a sunrise review.

Your Committee has amended the title and text of this measure, on the recommendation of the Real Estate Commission, to include chapter 514A, Hawaii Revised Statutes, in the sunrise review to be conducted by the Auditor.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 160, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 160, S.D. 1.

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

  
BRIAN T. TANIGUCHI, Chair



