

Honolulu, Hawaii

Feb 29, 2008

RE: H.B. No. 2492
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2492 entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure sufficient disclosures in real estate transactions by:

- (1) Requiring sellers of residential real property to disclose all restrictions or conditions on use relating to the property and contained in a recorded document, including any unrecorded rules or guidelines issued by entities responsible for enforcing the restrictions or conditions; and
- (2) Specifying the types of planned communities for which seller disclosure statements must include the planned community declaration and association documents.

The Hawaii Association of REALTORS testified in support of this bill.

Your Committee has amended this bill by:

- (1) Inserting a provision requiring the minutes of board of directors' meetings for a planned community association



to include the recorded vote of each board member present on all motions except motions voted upon in executive session;

- (2) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

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 H.B. No. 2492, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2492, H.D. 1.

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



ROBERT N. HERKES, Chair



