

STAND. COM. REP. NO. 704

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 874
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 874, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RESIDENTIAL REAL PROPERTY,"

begs leave to report as follows:

The purpose of this bill is to prohibit residential real property deed restrictions or other covenants running with the land from requiring the payment of fees for the future transfer of the property, except certain fees or charges relating to:

- (1) Payments to a lender on a mortgage loan secured by the property;
- (2) Payments to homeowners', condominium, cooperative, or property owners' associations pursuant to a declaration, covenant, or law applicable to the association;
- (3) Lease payments and charges to landlords;
- (4) Payments to the holder of an option to purchase an interest in residential real property, or holder of a right of first refusal or first offer to purchase such interest, for waiving the option or right upon transfer of the property to another person; and
- (5) Payments to a government entity.



The Hawaii Association of Realtors supported the intent of this bill.

Your Committee has amended this bill by:

- (1) Changing the effective date to January 1, 2046, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 874, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 874, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



JAN RIKI KARAMATSU, Chair



