

STAND. COM. REP. NO.

244

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 1107
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1107 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to merge the duplicative educational trust funds inadvertently resulting from the recodification of the condominium laws into a single trust fund for the education of condominium owners, associations, developers, and managers.

Your Committee received testimony in support of this measure from the Real Estate Commission. Testimony in opposition to this measure was received from the Hawaii Independent Condominium & Cooperative Owners. Comments on this measure was received from the Hawaii Council of Associations of Apartment Owners. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the condominium management education fund and the condominium education trust fund that exist under current law already operate as a single fund for practical purposes and that the creation of two separate funds was an inadvertent effect of the recodification of the condominium law.

Your Committee heard concerns from Hawaii Independent Condominium & Cooperative Owners that moneys paid into the trust fund by individual homeowners should be used to finance education

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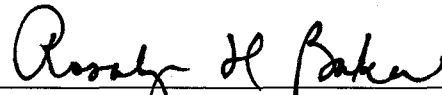


for owners and not for developers or associations. Therefore your Committee has amended this measure by:

- (1) Requiring that the Real Estate Commission include in its annual fund report to the Legislature a separate accounting for moneys paid into the fund by individual homeowners;
- (2) Requiring that the Real Estate Commission include in its annual fund report to the Legislature a separate accounting for expenditures on education directed at individual homeowners; and
- (3) Requiring that the Real Estate Commission make its educational publications about condominium owners' rights and responsibilities available to individual homeowners in both printed and electronic formats.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1107, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1107, S.D. 1, and be referred to the Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 1107	Committee Referral: CPN, WAM	Date: 02/12/09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman				✓
HEMMINGS, Fred	✓			
TOTAL	5	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes