

STAND. COM. REP. NO.

777

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1241  
S.D. 2

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

Madam:

Your Committee on Judiciary and Government Operations, to which was referred S.B. No. 1241, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to prohibit a deed restriction or covenant that requires the payment of a transfer fee to a specified private party every time a property is sold or transferred.

Your Committee finds that some real estate developers charge transfer fees that require a payment to the developer every time a property is sold or transferred from one owner to the next. Some of these fees are unrelated to any legitimate purpose and serve only to enrich the developer. Your Committee finds that there is presently no regulation of these fees, no limitation on their application, and no accountability or oversight of the recipients.

Your Committee has amended this measure by making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1241, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1241, S.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Government Operations,



BRIAN T. TANIGUCHI, Chair



