



GOV. MSG. NO. 1218

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

June 14, 2011

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on June 14, 2011, the following bill was signed into law:

HB319 HD1 SD1 CD1

RELATING TO OWNER-BUILDERS
Act 115 (11)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

JUN 14 2011

on

HOUSE OF REPRESENTATIVES
TWENTY-SIXTH LEGISLATURE, 2011
STATE OF HAWAII

ACT 115
H.B. NO. 319
H.D. 1
S.D. 1
C.D. 1

A BILL FOR AN ACT

RELATING TO OWNER-BUILDERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 444-2.5, Hawaii Revised Statutes, is
2 amended by amending subsections (b) and (c) to read as follows:
3 " (b) Proof of the sale or lease, or offering for sale or
4 lease, of the structure [~~not more than~~] within one year after
5 completion[, ~~unless the sale or lease was caused by an eligible~~
6 ~~unforeseen hardship as determined by the board pursuant to~~
7 ~~subsection (c),~~] shall be prima facie evidence that the
8 construction or improvement of the structure was undertaken for
9 the purpose of sale or lease; provided that this subsection
10 shall not apply to:

11 (1) Residential properties sold or leased to employees of
12 the owner or lessee; [~~or~~]

13 (2) Construction or improvements performed pursuant to an
14 approved building permit where the estimated valuation
15 of work to be performed, as reflected in the building
16 permit, is less than \$10,000[~~-~~]; or



1 (3) Any sale or lease caused by an eligible unforeseen
2 hardship as determined by the board pursuant to
3 subsection (c).

4 (c) The board shall determine the eligibility of an
5 unforeseen hardship claimed by an owner under subsection (b);
6 provided that an alleged unforeseen hardship shall not be deemed
7 eligible if the board determines that the construction or
8 improvement of the structure was undertaken for the purpose of
9 sale or lease. An exemption for an unforeseen hardship shall
10 not be denied solely because of lack of completion, as the term
11 is defined in subsection (e). An owner seeking a determination
12 of eligibility of an unforeseen hardship shall:

13 (1) Be in compliance with the requirements set forth in
14 the disclosure statement required to be provided under
15 section 444-9.1; and

16 (2) [~~Apply in writing~~] Submit a written application to the
17 board at any time prior to selling, leasing, or
18 offering to sell or lease the property[-] describing
19 the nature of the applicant's unforeseen hardship.
20 The application shall include supporting documentation
21 detailing the hardship, such as:



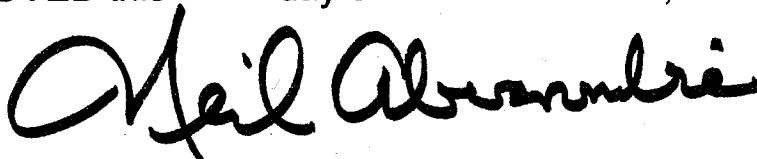
- 1 (A) Evidence of receipt of unemployment compensation;
- 2 (B) Tax returns;
- 3 (C) Medical records;
- 4 (D) Bank statements;
- 5 (E) Divorce decrees ordering sale of property;
- 6 (F) Mortgage default letters; or
- 7 (G) Bankruptcy filings.

8 The board shall communicate its determination to the owner in
 9 writing within ninety days of receiving a completed application
 10 under this subsection."

11 SECTION 2. Statutory material to be repealed is bracketed
 12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect July 1, 2011.

APPROVED this 14 day of JUN, 2011



GOVERNOR OF THE STATE OF HAWAII

