

Honolulu, Hawaii

Feb 16, 2012

RE: H.B. No. 2069
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred H.B. No. 2069, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to make changes to the Condominium Property Regimes law under Chapters 514A and 514B, Hawaii Revised Statutes by:

- (1) Prohibiting a condominium board of directors, when leasing common elements of the condominium, from setting the rent at an amount below fair market rent value to individuals or entities who are not apartment owners; and
- (2) Requiring all direct costs attributable to condominium hotel operations to be charged only to unit owners whose units are included in condominium hotel operations.

Aston Hotels & Resorts, LLC; Classic Resorts Limited; and Outrigger Enterprises Group testified in opposition to this measure. Hawaii First, Inc. provided comments.



Your Committee has amended this measure by:

- (1) Specifying that a lease of a common element shall be for a term of no more than five years, except by agreement otherwise by 75 percent of unit owners;
- (2) Specifying that the 60 days notice to terminate a lease applies to the initial term of the lease;
- (3) Authorizing direct costs for condominium hotel operations to be treated as a common expense upon the approval of 75 percent of the association's unit owners; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2069, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.B. No. 2069, H.D. 2.

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



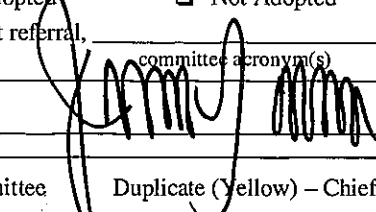
TOM BROWER, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR468-12

Record of Votes of the Committee on Tourism

Bill/Resolution No.: HB2069, HD1	Committee Referral: HSG, TOU, CPC	Date: 02/13/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	✓			
2. TOKIOKA, James Kunane (VC)		✓		
3. AWANA, Karen L.		✓		
4. CHOY, Isaac W.	✓			
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.		✓		
7. McKELVEY, Angus L.K.				✓
8. NISHIMOTO, Scott Y.				✓
9. TSUJI, Clift		✓		
10. CHING, Corinne W.L.		✓		
11. MARUMOTO, Barbara C.		✓		
TOTAL (11)	3	6		2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				