

STAND. COM. REP. NO.

2536

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2295

S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2295 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to allow members of an association of apartment owners to have electronic access to an association membership list and contact information for vendees under an agreement of sale.

Prior to the hearing on this measure, your Committee made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of the measure and inserted provisions that require assessments for health care services or services relating to personal care that are offered or provided to unit owners at a condominium licensed as an assisted living facility to be assessed only against the units occupied by persons who utilize these services, and not be included as part of the common expenses of a condominium.

Your Committee received testimony in support of the proposed S.D. 1 from three individuals. Your Committee received comments on the proposed S.D. 1 from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that as the State's population ages, many senior citizens will explore their options for aging in

2012-1445 SSCR SMA.doc



place. Existing condominiums may consider providing assisted living services, including health care services or personal care services, to their unit owners or residents so that these individuals may age in place. A condominium licensed as an assisted living facility may offer services or invite vendors to provide services for its aging residents. However, condominium owners have expressed concern because the costs for health care services or services related to personal care are included in a condominium's maintenance fees. These fees are then allocated to all owners, not just the owners who have contracted for these services.

Your Committee concludes that it is not appropriate to require all unit owners in a condominium to pay a share of expenses related to the operation of an assisted living facility in a condominium project, and that these expenses should be assessed against a unit owner only when a unit owner or resident of a unit owner elects to utilize such services.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that any and all assessments for health care services or services relating to personal care that are offered or provided to unit owners or residents of unit owners at a condominium licensed as an assisted living facility are to be assessed against the units occupied by persons who utilize these services;
- (2) Amending the purpose section of this measure for clarity; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2295, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2295, S.D. 1, and be placed on the calendar for Third Reading.



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

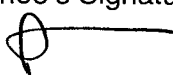


ROSALYN H. BAKER, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 2295	Committee Referral: CPN	Date: 2/29/12		
<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)	✓			
TANIGUCHI, Brian T. (VC)				✓
GALUTERIA, Brickwood	✓			
GREEN, M.D., Josh				✓
NISHIHARA, Clarence K.	✓			
SOLOMON, Malama	✓			
SLOM, Sam				✓
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes