

STAND. COM. REP. NO.

735

Honolulu, Hawaii

February 28, 2013

RE: H.B. No. 138

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 138 entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE SELLER
DISCLOSURE,"

begs leave to report as follows:

The purpose of this measure is to eliminate confusion
relating to the application of the seller disclosure law by:

- (1) Establishing a uniform standard for disclosure of
restrictive covenants and related information in the
sale of residential real property in condominium
projects, cooperative housing corporations, and other
community associations;
- (2) Clarifying the types of documents that are required to
be disclosed;
- (3) Requiring the disclosure of documents within ten days
after the title report is received; and
- (4) Allowing for the electronic receipt of documents with
the buyer's consent.

The Hawaii Association of REALTORS testified in support of
this measure.

HB138 HD1 HSCR CPC HMS 2013-2384



Your Committee has amended this measure by:

- (1) Clarifying the seller's duty to provide the buyer with applicable public records pursuant to requirements for document disclosure contained in this measure;
- (2) Changing its effective date to May 1, 2014, to allow members of the affected industry sufficient time to comply with changes to the disclosure laws pursuant to this measure; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 138, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 138, H.D. 1, and be placed on the calendar for Third Reading.

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



ANGUS L.K. MCKELVEY, Chair



