

Honolulu, Hawaii  
April 3, 2014

RE: S.B. No. 41  
S.D. 1  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 41, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure, as received by your Committee, is to clarify the role of a local contact for operators of transient accommodations.

For the purposes of a public hearing on this measure, your Committee circulated S.B. No. 41, H.D.1 PROPOSED, and notified the public that it would be accepting testimony on the Proposed Draft, which allows the Real Estate Commission to waive up to one year of an applicant's required three years of experience, under certain circumstances, for the real estate broker examination.

Your Committee received testimony from the following organizations and individuals on S.B. No. 41, S.D. 1, as received by your Committee, and on the Proposed Draft.



The Hawaii Association of Vacation Rental Managers testified in support of this measure as received by your Committee. The Department of Taxation testified in support of the intent of the measure as received by your Committee.

An individual testified in support of the Proposed Draft. The Real Estate Commission testified in opposition to the Proposed Draft.

Your Committee considered the merits of both S.B. No. 41, S.D.1, as received by your Committee and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Inserting the original contents of S.B. No. 41, S.D.1, which clarifies the role of a local contact for operators of transient accommodations as PART I of the measure;
- (2) Amending the definition of "custodian or caretaker" to exclude any individual who acts as a designated agent pursuant to section 521-43(f), Hawaii Revised Statutes;
- (3) Including a severability clause in the measure;
- (4) Providing for repeal of the waiver of experience requirements for the real estate broker examination on June 30, 2016; and
- (5) Making technical, nonsubstantive amendments for the purposes 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 S.B. No. 41, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 41, S.D. 1, 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,

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by several loops and a long horizontal stroke extending to the right.

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ANGUS L.K. MCKELVEY, Chair



