

STAND. COM. REP. NO.

3421

Honolulu, Hawaii

APR 04 2018

RE: H.B. No. 1869
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 1869, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE LANDLORD TENANT CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt from the
Landlord-Tenant Code a seller of residential real property who
occupies the residential real property after the transfer of the
seller's ownership rights.

Your Committee received testimony in support of this measure
from the Hawai'i Association of REALTORS. Your Committee received
comments on this measure from the Department of Commerce and
Consumer Affairs.

Your Committee finds that in a typical real estate
transaction, sellers move out of a property prior to closing, a
time when the seller's ownership rights are transferred to the
buyer and the buyer takes occupancy and control of the property
upon the closing of escrow and the transfer of title from the
seller to the buyer. However, if a seller does not or refuses to
move out, the seller becomes a holdover seller.

According to testimony received by your Committee, there are
times when a seller may need to extend occupancy of the property



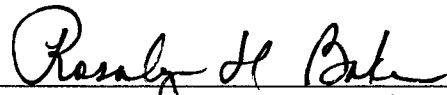
beyond the close of escrow, most commonly when a seller needs more time to move. Your Committee further finds that although there is an exclusion in the Landlord-Tenant Code for buyers who need to take early occupancy of a residential real property prior to closing, there is not a similar exclusion for holdover sellers. This measure therefore establishes a specific exemption from the Landlord-Tenant Code for holdover sellers. Your Committee notes that under this measure, a holdover seller who improperly maintains occupancy could still be removed from the residential real property, but only through an ejectment proceeding.

Your Committee has amended this measure by:

- (1) Changing its effective date to November 1, 2018; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1869, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1869, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* HB 1869 HD1	Committee Referral: CPH	Date: 3/28/18
---	-----------------------------------	-------------------------

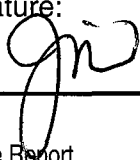
The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TOKUDA, Jill N. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			# 2
IHARA, Jr., Les				-
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.				-
TOTAL	8 4 5			2 2

Recommendation: Adopted 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