

STAND. COM. REP. NO.

2214

Honolulu, Hawaii

FEB 12 2018

RE: S.B. No. 3032
S.D. 1

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

Sir:

Your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment, to which was referred S.B. No. 3032 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Repeal the exemption for agricultural lands that are subdivided and leased for agricultural uses or activities from compliance with county subdivision standards;
- (2) Require condominium property regimes to comply with county subdivision requirements; and
- (3) Repeal the exemption for certain condominium property regimes that are to be sold for \$1,000,000 or more from mandatory registration with the Real Estate Commission.

Your Committees received testimony in support of this measure from the Department of Planning and Permitting, City and County of Honolulu; and Hawaiian Civic Club of Honolulu. Your Committees received testimony in opposition to this measure from the Hawai'i Farm Bureau. Your Committees received comments on this measure



from the Department of Agriculture, Department of Commerce and Consumer Affairs, and Office of Planning.

Your Committees find that expanded development of agricultural lands through the existing condominium property regime process threatens the long-term viability of these newly developed condominiums. Since existing laws require that condominium property regimes comply with county zoning but not county subdivision requirements, the county lacks an opportunity to review proposed developments and ensure that there is sufficient infrastructure to support these developments. Your Committees find that the counties should have the opportunity to provide greater input and play a larger role in the process of condominium property regime development on agricultural lands and that condominium developers should not be able to bypass county subdivision requirements. In addition, your Committees find that the existing exemption for certain condominium property regime projects with units to be sold for \$1,000,000 or more from the requirement to be registered with the Real Estate Commission should be eliminated to ensure greater oversight of the condominium property regime process.

Further, your Committees note testimony from the Office of Planning relating to storage and equipment sheds and other similar structures on leased agricultural lands. Your Committees recognize that existing statutes prohibit permanent or temporary dwellings or farm dwellings, including trailers and campers, on the lease lots created. However, your Committees have concerns about storage and equipment sheds and other similar structures being converted to residential use. Therefore, your Committees find that it is important to specifically prohibit such sheds and buildings on leased agricultural lands from being converted to residential use.

Your Committees also note the testimony of the Department of Commerce and Consumer Affairs relating to application for registration of a project in a county agricultural zoning district or preservation zoning district. Your Committees agree that any application for such a project should include a verified statement from the appropriate county official demonstrating the project's compliance with county subdivision requirements.

Accordingly, your Committees have amended this measure by:



- (1) Prohibiting the use of storage sheds, equipment sheds, or other structures appropriate to the agricultural activity carried on within leased agricultural lands for residential purposes for any length of time;
- (2) Inserting language to require that an application for registration of a project in a county agricultural zoning district or preservation zoning district include a verified statement, signed by an appropriate county official, that the project is in compliance with any supplemental county ordinances and rules; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3032, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3032, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on
behalf of the members of the
Committees on Public Safety,
Intergovernmental, and Military
Affairs and Agriculture and
Environment,



MIKE GABBARD, Chair



CLARENCE K. NISHIHARA, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:* SB 3032	Committee Referral: PSM/AEN,CPH	Date: 2/5/18		
<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
GABBARD, Mike (C)	X			
RIVIERE, Gil (VC)	X			
NISHIHARA, Clarence K.	X			
RHOADS, Karl	X			
RUDERMAN, Russell E.	X			
TOTAL	5	0	0	0
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