

**LATE**

**PRESENTATION OF THE  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

TO THE SENATE COMMITTEES ON  
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS  
AND  
AGRICULTURE AND ENVIRONMENT

TWENTY-NINTH LEGISLATURE  
Regular Session of 2018

Monday, February 5, 2018  
1:30 p.m.

**WRITTEN TESTIMONY ONLY**

**TESTIMONY ON SENATE BILL NO. 3032, RELATING TO CONDOMINIUM PROPERTY REGIMES.**

TO THE HONORABLE CLARENCE K. NISHIHARA, CHAIR, TO THE HONORABLE MIKE GABBARD, CHAIR, AND MEMBERS OF THE COMMITTEES:

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on S.B. 3032, Relating to Condominium Property Regimes. My name is Celia Suzuki, and I am the Licensing Administrator for the Department’s Professional and Vocational Licensing Division (“PVL”). PVL appreciates the intent of this measure and provides suggested amendments to fully capture its intended purpose.

The Department’s comments relate solely to section 3 of the bill. The purpose of section 3 of this measure is to require condominium property regimes to comply with county subdivision requirements. The Department recommends the following amendments to section 3:

- **§ 514B-5 Conformance with county [~~land-use~~] laws.** Any condominium property regime established under this chapter shall conform to the existing underlying county zoning for the property and all applicable county permitting requirements adopted by the county in which the property is located, including any supplemental rules adopted by the county, pursuant to section 514B-6, to ensure the conformance of condominium property regimes to the purposes and provisions of county zoning, subdivision, and development ordinances and rules, and chapter



205, including section 205-4.6 where applicable. In the case of a property which includes one or more existing structures being converted to condominium status, the condominium property regime shall comply with section 514B-32(a)(13) or 514B-84(a).

- **§ 514B-6 Supplemental county ordinances and rules governing a condominium property regime.** Whenever any county deems it proper, the county may adopt supplemental ordinances and rules governing condominium property regimes established under this chapter in order to implement this program; provided that any of the supplemental rules adopted shall not conflict with this chapter or with any of the rules adopted by the commission to implement this chapter.
- **§ 514B-52. Application for registration.** (a) An application for registration of a project shall:
  - (1) Be accompanied by nonrefundable fees as provided in rules adopted by the director of commerce and consumer affairs pursuant to chapter 91; and
  - (2) Contain the documents and information concerning the project and the condominium property regime as required by sections 514B-54, 514B-83, and 514B-84, as applicable, and as otherwise may be specified by the commission.
- (b) An application for registration of a project in the agricultural district classified pursuant to chapter 205 shall include a verified statement, signed by an appropriate county official, that the project as described and set forth in the project's declaration, condominium map, bylaws, and house rules does not include any restrictions limiting or prohibiting agricultural uses or activities, in compliance with section 205-4.6. The commission shall not accept the registration of a project where a county official has not signed a verified statement.



(c) An application for registration of a project in a county agricultural zoning district or preservation zoning district shall include a verified statement, signed by an appropriate county official, that the project is in compliance with any supplemental county ordinances and rules adopted pursuant to section 514B-6.

~~[(c)]~~(d) The commission need not process any incomplete application and may return an incomplete application to the developer and require that the developer submit a new application, including nonrefundable fees. If an incomplete application is not completed within six months of the date of the original submission, it shall be deemed abandoned and registration of the project shall require the submission of a new application, including nonrefundable fees.

~~[(d)]~~(e) A developer shall promptly file amendments to report either any actual or expected pertinent or material change, or both, in any document or information contained in the application.

Thank you for the opportunity to provide written testimony on S.B. 3032.

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P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail info@hfbf.org; www.hfbf.org

February 5, 2018

HEARING BEFORE THE  
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND  
MILITARY AFFAIRS  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

**TESTIMONY ON SB 3032**  
RELATING TO CONDOMINIUM PROPERTY REGIMES

Room 224  
1:30 pm

Aloha Chair Nishihara, Chair Gabbard, Vice Chair Wakai, Vice Chair Riviere, and Members of the Committees:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

**The Hawaii Farm Bureau opposes SB 3032**, which repeals the exemption for agricultural lands that are subdivided and leased for agricultural uses due to the unintended consequences to commercial agricultural operations.

Many parcels in the State of Hawaii, especially on the neighbor islands are very large, in the thousands of acres. Our farmers and ranchers are often incapable of leasing such large acreage. On Maui, these lots are subdivided on a temporary basis, so leases can be created that may be used as collateral at financial institutions. Without such a subdivision, loans or other financial opportunities will not be possible.

There are success stories of this exemption that has resulted in real agriculture. A one size fits all solution is not the answer to problems that exist elsewhere. This measure needs careful review to prevent unintended consequences before passage.

For these reasons, HFB opposes this measure.

Thank you for this opportunity to provide our opinion on this important matter.