

STAND. COM. REP. NO. 3266

Honolulu, Hawaii

MAR 21 2022

RE: H.B. No. 2243  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 2243, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require buildings and structures to be maintained in a safe and sanitary condition;
- (2) Require devices and safeguards to be maintained in conformance with county building codes;
- (3) Require condominium associations or their designated agents to be responsible for the maintenance of the buildings and structures; and
- (4) Authorize county building officials to require a building or structure to be reinspected.

Your Committee received testimony in support of this measure from the Hawaii Insurers Council, Community Associations Institute, Hawaii Council of Community Associations, Associa, Palehua Townhouse Association, Kokua Council, Hui 'Oia'i'o, and two



individuals. Your Committee received comments on this measure from three individuals.

Your Committee finds that the recent, tragic collapse of a condominium building in Florida has heightened the concerns of many who reside in condominiums in the State, especially due to the age and maintenance requirements of many Hawai'i properties. Your Committee further finds, however, that the State's existing laws are vastly different from Florida's laws in that Hawai'i law requires reserve studies and vests in the board of directors the duty and authority to maintain the project, whereas Florida law first requires homeowner approval, which could delay necessary repairs. Accordingly, amendments to this measure are necessary to conform the measure to existing laws while continuing to advance safety and other protections.

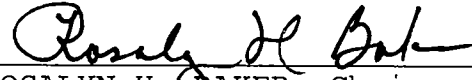
Your Committee has amended this measure by:

- (1) Clarifying that, with respect to the upkeep of condominiums, the board of directors shall be responsible for the operation of the property, as defined by section 514B-3, Hawaii Revised Statutes, which shall include the administration, fiscal management, and physical operation of the property inclusive of the maintenance, repair, and replacement or construction of additions and improvements to the common elements, and to maintain the project in accordance with the requirements of the reserve study and any state or county requirements applicable to the project; and
- (2) Inserting an effective date of January 1, 2023.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2243, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2243, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



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



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ROSALYN H. BAKER, Chair



