

STAND. COM. REP. NO.

704

Honolulu, Hawaii

, 2021

FEB 17

RE: H.B. No. 47

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 47 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to relieve homeowner-developers from the burden of filing annual reports and paying the fee for developments consisting of no more than two units, in which one unit is the residence of the developer and the initial sale of the other unit has been completed.

Your Committee received testimony in support of this measure from the Community Associations Institute, Associa, and two individuals. Your Committee received testimony in opposition to this measure from the Real Estate Commission.

Your Committee finds that the Condominium Property Act characterizes homeowner-developers who own two units under a condominium property regime as a developer of a condominium project. Under the Condominium Property Act, developers are required to file an annual report and pay an annual fee until all units in a development have been sold. This requirement unduly burdens homeowner-developers who permanently reside on their property and do not intend to sell their unit in the development.



This measure will therefore provide relief in these specific instances from the burdensome annual filing and fee requirements.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (2) 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 H.B. No. 47, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 47, H.D. 1, and be referred to your Committee on Finance.

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



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AARON LING JOHANSON, Chair



State of Hawaii  
House of Representatives  
The Thirty-first Legislature

HSCR 304

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 47	Committee Referral: CPC, FIN	Date: 2/10/2021		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HAR, Sharon E.	✓			
5. HASHEM, Mark J.	✓			
6. KONG, Sam Satoru	✓			
7. MIZUNO, John M.	✓			
8. MORIKAWA, Dee	✓			
9. ONISHI, Richard H.K.	✓			
10. TARNAS, David A.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>Dee Morikawa</i>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				