STAND. COM. REP. NO. 676

Honolulu, Hawaii

FEB 17 ' 2023

H.B. No. 1509 RE:

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1509 entitled:

"A BILL FOR AN ACT RELATING TO COMMON-INTEREST DEVELOPMENTS," begs leave to report as follows:

The purpose of this measure is to establish the Common-Interest Development Oversight Task Force to examine the feasibility of bringing the various common-interest developments under the oversight of the Department of Commerce and Consumer Affairs.

Your Committee received testimony in support of this measure from the Palehua Townhouse Association, Hawaii Council of Associations of Apartment Owners, and four individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that common-interest developments, or real property development where property owners share a common set of financial obligations, are the fastest growing form of housing and a significant form of land development. Currently, there are a variety of forms of common-interest developments in Hawaii, such as condominium property regimes, planned communities, and

cooperative housing corporations. Your Committee further finds that these common-interest developments have different means to facilitate resolutions in case of certain disputes. Your Committee believes that the State should look into consolidating the governance of these three common-interest developments with the goal of making uniform rules applicable to all common-interest developments.

Your Committee has amended this measure by:

- (1) Amending the composition of the Common-Interest Development Oversight Task Force to include any additional members deemed necessary by the task force;
- (2) Requiring the Task Force to investigate whether additional duties and fiduciary responsibilities should be placed on members of boards of directors of cooperative housing corporations;
- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1509, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Housing,

TROY N. HASHIMOTO, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 626

Record of Votes of the Committee on Housing

	tee Referral:	Date:	2/15/2	12
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The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. HASHIMOTO, Troy N. (C)	/			
2. AIU, Micah P.K. (VC)	V		* -	
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3. KILA, Darius K.	V			
4. KITAGAWA, Lisa	V		na i vascenditi ili en mai va same attiti i mataria, him Visio e mataria.	
5. MARTEN, Lisa				The second state and the second state of the second
	and the same and the control of the same and		entangunasan cak untukning kanada a saka kanad	
6. ONISHI, Richard H.K.	/			
7. TODD, Chris				
8. MATSUMOTO, Lauren				
or margorato, paulei				
TOTAL (8)	8			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				