

STAND. COM. REP. NO. **2816**

Honolulu, Hawaii

**FEB 29 2024**

RE: S.B. No. 2727  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2727, S.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 enable residential high-rise condominium properties to participate in commercial property assessed financing, also known as commercial property assessed clean energy and resiliency, or C-PACER financing.

Your Committee received written comments in support of this measure from the Hawaii Green Infrastructure Authority; Office of Planning and Sustainable Development; Hawaii State Energy Office; Island Insurance Companies' CastleGreen Finance; Holomua Collaborative; Hawaii REALTORS; Hawaii Insurers Council; PACE Loan Group; CPACE Lending; Association of Apartment Owners of Pat's at Punaluu; Parkland Gardens Association of Apartment Owners Board of Directors; Petros PACE Finance, LLC; Hawaii Energy; C-PACE Alliance, Inc.; Nuveen Green Capital; Ulupono Initiative; Hawaii Bankers Association; The Laborer's International Union Local 368; The Plumbers & Fitters Local 675; and three individuals.

Your Committee received written comments in opposition to this measure from one individual.



Your Committee finds that high-rise condominium properties require financing for the installation of equipment relating to fire safety, energy efficiency, renewable energy, water conservation, and resiliency. Your Committee recognizes the merits of granting high-rise condominium property regimes access to C-PACER financing, through which commercial property owners may finance qualifying improvements on their properties, then repay through a voluntary assessment that is similar to a real property tax.

Your Committee has amended this measure by:

- (1) Amending the definition of "commercial property" as used for the purposes of the Hawaii Green Infrastructure Loan Program to include any condominium regime having units in a building that is not less than an unspecified height;
- (2) Changing the effective date to July 1, 2024; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2727, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2727, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



