

Honolulu, Hawaii

**FEB 27 2025**

RE: S.B. No. 801  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 801 entitled:

"A BILL FOR AN ACT RELATING TO MANAGING AGENTS,"

begs leave to report as follows:

The purpose and intent of this measure is to require managing agents of residential condominium properties over seventy-five feet in height to have commercial property management experience.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS and four individuals.

Your Committee received testimony in opposition to this measure from Hawaii First Realty, Community Associations Institute, and one individual.

Your Committee received comments on this measure from the Hawai'i Real Estate Commission and two individuals.

Your Committee finds that high-rise condominium properties have complex operational, safety, and financial management needs similar to those of commercial buildings, and some buildings may also lease available space to commercial businesses. Volunteer board members of condominium associations often do not possess the experience necessary to manage these challenges effectively, resulting in many associations relying on managing agents. This



measure would therefore require managing agents to have commercial property management experience to help ensure these properties are managed effectively and responsibly.

Your Committee has heard the concerns raised in testimony that this measure, in its current form, does not acknowledge the differences in commercial property management and residential property management. Additionally, rather than requiring commercial property management experience or simply a real estate broker license, a better solution may be implementing certain credentials and education requirements for managing agents that are specific to the health and safety issues of Hawaii's common interest community associations, especially for the State's most densely populated areas. Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required managing agents of residential condominium properties exceeding seventy-five feet in height to have experience in commercial property management;
- (2) Inserting language requiring managing agents for residential condominium properties with more than one hundred units located in a county with a population of more than five hundred thousand to be credentialed community association managers;
- (3) Inserting a definition of "community association manager" to mean an individual who possesses a manager credential issued by a nationwide community association management industry trade group;
- (4) Amending section 1 to reflect its amended purpose;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



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 S.B. No. 801, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 801, S.D. 1, and be placed on the calendar for Third Reading.

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




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TERRELL ALOHOKALO, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB801</b>	Committee Referral: <b>CPN</b>	Date: <b>4/7/25</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton			✓	
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes