

STAND. COM. REP. NO. **2035**

Honolulu, Hawaii

**APR 04**, 2025

RE: S.B. No. 253  
S.D. 2  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 253, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUM RESERVES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require condominium association budget summaries to include all required information without referring the reader to other portions of the budget or reserve study;
- (2) Provide that the defense of good faith compliance is unavailable to any condominium association whose board adopts a budget that omits the required detailed budget summary; and
- (3) Provide that a unit owner has standing to enforce a board's compliance with the statutory provisions relating to a condominium association's budget, if the board failed to substantially comply with those provisions.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS; Community Associations

2025-3152 SB253 HD1 HSCR HMSO



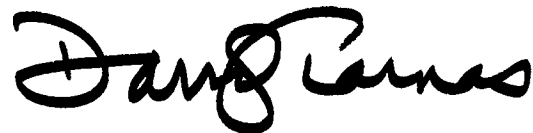
2025

Institute; Hawaii First Realty; and five individuals. Your Committee received testimony in opposition to this measure from Honolulu Tower AOA; Palehua Townhouse Association; Law Offices of Mark K. McKellar, LLC; and numerous individuals.

Your Committee finds that while previous efforts by the Legislature have improved transparency regarding condominium association fiscal matters, further steps are necessary to ensure full compliance with the disclosure of budget summaries and reserve studies. Your Committee believes there is a need for explicit clarification regarding the unavailability of the good faith defense for associations whose boards fail to include a detailed budget summary and for ensuring that unit owners have standing to enforce compliance. This measure strengthens transparency and promotes greater accountability.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 253, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary &  
Hawaiian Affairs,



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DAVID A. TARNAS, Chair



**HSR 2035**

**Record of Votes of the Committee on Judiciary & Hawaiian Affairs**

|  |  |                            |
|--|--|----------------------------|
| Bill/Resolution No.:<br><b>SB 293 (D2 HD1)</b> | Committee Referral:<br><b>CPC, JHA</b> | Date:<br><b>04/02/2025</b> |
|--|--|----------------------------|

The committee is reconsidering its previous decision on the measure.

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)

| JHA Members             | Ayes     | Ayes (WR) | Nays     | Excused  |
|-------------------------|----------|-----------|----------|----------|
| 1. TARNAS, David A. (C) | ✓        |           |          |          |
| 2. POEPOE, Mahina (VC)  | ✓        |           |          |          |
| 3. BELATTI, Della Au    | ✓        |           |          |          |
| 4. COCHRAN, Elle        |          |           |          | ✓        |
| 5. HASHEM, Mark J.      | ✓        |           |          |          |
| 6. KAHALOA, Kirstin     | ✓        |           |          |          |
| 7. PERRUSO, Amy A.      | ✓        |           |          |          |
| 8. TAKAYAMA, Gregg      | ✓        |           |          |          |
| 9. TODD, Chris          | ✓        |           |          |          |
| 10. GARCIA, Diamond     |          |           | ✓        |          |
| 11. SHIMIZU, Garner M.  | ✓        |           |          |          |
| <b>TOTAL (11)</b>       |          |           |          |          |
|                         | <b>9</b> | <b>0</b>  | <b>1</b> | <b>1</b> |

The recommendation is:  Adopted     Not Adopted  
 If joint referral, \_\_\_\_\_ did not support recommendation.  
committee acronym(s)

Vice Chair's or designee's signature: \_\_\_\_\_

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