

Honolulu, Hawaii

MAR 22 , 2024

RE: S.B. No. 2726
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2726, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to require the Legislative Reference Bureau to conduct a study on condominium subjects, which will help the Condominium Property Regime Task Force fulfill its obligation under Act 189, Session Laws of Hawaii 2023.

Your Committee received testimony in support of this measure from the Palehua Townhouse Association; Hawaii First Realty LLC; Angel's Site Management Solutions; Community Associations Institute, Legislative Action Committee, Hawaii Chapter; Honolulu Tower AOA; Chamber of Sustainable Commerce; AARP Hawai'i; and numerous individuals. Your Committee received comments on this measure from the Legislative Reference Bureau; State Procurement Office; and Kokua Council.

Your Committee finds that Act 189, Session Laws of Hawaii 2023, established the Condominium Property Regime Task Force, which was tasked with:



- (1) Examining and evaluating issues regarding condominium property regimes governed by the Condominium Property Act;
- (2) Conducting an assessment of the alternative dispute resolution systems established by the Legislature;
- (3) Investigating whether additional duties and fiduciary responsibilities should be placed on members of the boards of directors of condominium property regimes; and
- (4) Developing any legislation necessary.

Your Committee further finds that the Condominium Property Regime Task Force requires further research so that it may better complete its objectives. Information provided by the Legislative Reference Bureau, as proposed by this measure, will enable the Task Force to develop potential legislation on an informed and objective basis.

Your Committee has amended this measure by:

- (1) Extending the deadline for the final report and the cease date for the Condominium Property Regime Task Force to June 30, 2026;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) 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 S.B. No. 2726, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2726, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



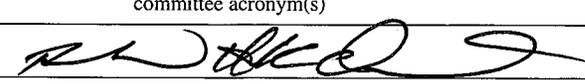
Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

for JLS

MARK M. NAKASHIMA, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 2726 SD2	Committee Referral: CPC, FIN	Date: 3/20/2024		
<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. NAKASHIMA, Mark M. (C)				✓
2. SAYAMA, Jackson D. (VC)	/			
3. AMATO, Terez	/			
4. BELATTI, Della Au	/			
5. HASHEM, Mark J.	/			
6. HUSSEY-BURDICK, Natalia				/
7. GATES, Cedric Asuega	/			
8. LOWEN, Nicole E.				/
9. ONISHI, Richard H.K.	/			
10. TAM, Adrian K.				/
11. PIERICK, Elijah	/			
TOTAL (11)	7	0	0	4
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				