STAND. COM. REP. NO.

Honolulu, Hawaii FEB 14 , 2025

RE: H.B. No. 252 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 Housing, to which was referred H.B. No. 252 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require managing agents for 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 three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Legislative Action Committee of the Community Associations Institute and eight individuals. Your Committee received comments on this measure from the Real Estate Commission; Hawaii Council of Community Associations; and two individuals.

Your Committee finds that residential high-rise condominium properties have complex operational, safety, and financial management needs similar to commercial buildings. Additionally, these condominiums may also lease available space to other commercial businesses. Volunteer condominium board members rely on managing agents to navigate these challenges effectively. This measure seeks to ensure that high-rise condominium properties are



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managed efficiently and responsibly by requiring managing agents to have commercial property management experience.

However, your Committee notes the various concerns raised in testimony, particularly about what qualifies as "experience" for managing agents and whether they should be required to obtain a professional license or an equivalent educational accreditation. Additional concerns were raised about the differences between managing residential and commercial properties and whether experience in one area is sufficient for the other. Your Committee appreciates these concerns but believes that this dialogue should be continued by your Committee on Consumer Protection & Commerce, where matters of condominium governance and management are more appropriately addressed. Your Committee therefore respectfully requests your Committee on Consumer Protection & Commerce, should it deliberate on this measure, to address these concerns and determine the most preferred approach as this measure moves through the legislative process.

Your Committee has amended this measure by:

- Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) 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. 252, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 252, 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,

LUKE A. EVSLIN, Chair



State of Hawaii House of Representatives The Thirty-third Legislature

**Record of Votes of the Committee on Housing** 

Bill/Resolution No.: H B252	Committee Referral: HS4, CPC		Date:	2/12/	15
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)					
HSG Members	Α	yes Ayes	(WR)	Nays	Excused
1. EVSLIN, Luke A. (C)					
2. MIYAKE, Tyson K. (VC)					
3. COCHRAN, Elle					
4. GRANDINETTI, Tina Nakada			1952    19 BENGS		
5. KILA, Darius K.	~				
6. KITAGAWA, Lisa			10.5.2.1 Bergard M		
7. LA CHICA, Trish				Na sumari	n <u>7</u> - 244
8. MURAOKA, Christopher L.				CHERCEN BUILD	
9. PIERICK, Elijah		/			
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TOTAL (9)	<	6	0	V	
The recommendation is: Adop		ot Adopted			
If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee	ee Duplicate (Y	ellow) – Chief Cler	U	Duplicate (Pi	nk) – HMSO