STAND. COM. REP. NO. 1509

Honolulu, Hawaii

APR 0 2 2025

H.B. No. 70 RE:

> H.D. 1 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 Judiciary, to which was referred H.B. No. 70, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUM,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require budget summaries to contain all required information without referring the reader to other portions of the budget; and
- (2) Clarify the ability to enforce compliance with budget summary and replacement reserves requirements and provides that an association has the burden of proving compliance.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS, Community Associations Institute Hawaii, Hawaii First Realty, and five individuals.

Your Committee received testimony in opposition to this measure from the Palehua Townhouse Association, Honolulu Tower Association of Apartment Owners, and eleven individuals.

Your Committee received comments on this measure from one individual.

Your Committee finds that condominium owners are entitled to disclosure of information about the replacement reserves maintained by a condominium association in which they own a unit. Additionally, the Legislature recently passed Act 62, Session Laws of Hawaii 2022, which requires a budget summary with additional details to be prepared on the financial condition of an association. This measure will further enhance transparency and provide both owners and prospective purchasers with valuable insights into the association's financial health by requiring these budget summaries to contain all required information.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 70, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Judiciary,

KARL RHOADS, Chair

The Senate Thirty-Third Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:* Cor	Committee Referral: Date:			
HB70 HDI SDI (CPN, JDC 3/25/25			
The Committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)				
GABBARD, Mike (VC)				V
CHANG, Stanley	✓			
SAN BUENAVENTURA, Joy A.				
AWA, Brenton				/
		 		
		,		
				2
TOTAL	3			2
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency		lenrod e File Copy

*Only one measure per Record of Votes