

Honolulu, Hawaii

FEB 27 2025

RE: S.B. No. 1212
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. 1212 entitled:

"A BILL FOR AN ACT RELATING TO THE REAL ESTATE COMMISSION,"

begs leave to report as follows:

The purpose and intent of this measure is to promote the safety of residents who live in condominiums across the State by expanding the membership of the Real Estate Commission to require at least two members to be licensed professional engineers or architects who have been engaged in business within the State for three years preceding their appointment to the Real Estate Commission.

Your Committee received testimony in support of this measure from one individual.

Your Committee received comments on this measure from one individual.

Your Committee finds that the Real Estate Commission is responsible for a wide spectrum of condominium-related issues in the State, including oversight of condominium projects, condominium associations, managing agents, and condominium hotel operators. Your Committee notes the current and pressing issues facing many residents of condominiums, including deferred maintenance projects that have led to exorbitant assessments and



uninsurable buildings, resulting in financial risk and uncertainty for a considerable population of the State. Your Committee believes that the Real Estate Commission should be more engaged and proactive in its responsibilities to address these current market issues and offer solutions to effectively navigate this crisis. Adding to the Real Estate Commission two members with expertise in maintaining the structural integrity of high rise buildings is therefore necessary to guide more informed decision-making for the Commission as it relates to its duties in resolving the ongoing issues facing many condominium associations in the State.

Your Committee has amended this measure by:

- (1) Increasing the membership of the Real Estate Commission from nine members to eleven members;
- (2) Inserting legislative findings and amending section 1 to reflect its amended purpose;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) 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. 1212, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1212, 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,



JARRETT KEOHOKALOLE, Chair



