STAND. COM. REP. NO.

868

Honolulu, Hawaii

MAR 2 3 2011

RE: H.B. No. 319

H.D. 1 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 319, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO OWNER-BUILDERS,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that a property owner with an open owner-builder permit is qualified for an exemption, upon a showing of hardship, from the prohibition on sale or lease of a constructed or improved property within one year of the construction or improvement.

Your Committee received testimony in support of this measure from the Contractors License Board, Hawai'i Association of REALTORS, and one private individual.

Your Committee finds that this measure clarifies an unintended inconsistency in the current law that allows an owner-builder who has completed a home construction or improvement project to receive an exemption, upon a showing of hardship, from the prohibition on selling or leasing the constructed or improved property within one year of completing the construction or improvement but does not allow the same exemption to an owner-builder who is not able to complete the construction or improvement due to a hardship. Your Committee further finds that this measure assists the Contractors License Board in determining eligibility for the hardship exemption by requiring an applicant to submit documentation of hardship.

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Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2011; and
- (2) 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 H.B. No. 319, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 319, H.D. 1, 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,

ROSALYN H. BAKER, Chair

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

| Bill / Resolution No.:* Committee Referral: Date: | | | | |
|--|-----|----------|---------|---------|
| HB 319, HDI CPN 3-18-11 | | | | |
| 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 |
| BAKER, Rosalyn H. (C) | | | | |
| TANIGUCHI, Brian T. (VC) | | | | |
| GALUTERIA, Brickwood | V | | | |
| GREEN, M.D., Josh | | | 4.5.5 5 | e i |
| NISHIHARA, Clarence K. | V | | | |
| SOLOMON, Malama | | | | |
| SLOM, Sam | | | | |
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| TOTAL | 4 | () | 0 | t |
| Recommendation: Adopted Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes