STAND. COM. REP. NO. 2462

Honolulu, Hawaii

MAR 01 2012

RE: S.B. No. 2184

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2184 entitled:

"A BILL FOR AN ACT RELATING TO PRIVATE TRANSFER FEES,"

begs leave to report as follows:

The purpose and intent of this measure is to make permanent the law that prohibits private transfer fees for the future transfer of real property by repealing its sunset date.

Your Committee received testimony in support of this measure from the Hawaii Association of Realtors.

Your Committee finds that a private transfer fee is a fee imposed by a private party that requires the payment of a certain amount, usually a percentage of the sales price, for future conveyances of a property, potentially in perpetuity. Because private transfer fees are funds due at closing, they can be a substantial burden for real property buyers. Moreover, because these restrictions run with the land, these fees may not be disclosed to subsequent purchasers of the property. By prohibiting private transfer fees, this measure prevents such fees from creating a financial barrier to homeownership and from misuse.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2184 and recommends that it pass Third Reading.

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

CLAYTON HEE, Chair

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral: Date:				
SB 2184 CANNOL 2/17/12					
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
HEE, Clayton (C)					
SHIMABUKURO, Maile (VC)					
GABBARD, Mike					
IHARA, Jr., Les					
SLOM, Sam					
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			4.4		
TOTAL		4			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re					

^{*}Only one measure per Record of Votes