

STAND. COM. REP. NO.

(783)

Honolulu, Hawaii

**MAR 21**, 2023

RE: S.B. No. 921

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 921 entitled:

"A BILL FOR AN ACT RELATING TO LIMITATIONS OF ACTIONS,"

begs leave to report as follows:

The purpose of this measure is to clarify that the tolling provision regarding actions by a condominium association against a developer applies to the statute of repose.

Your Committee received testimony in support of this measure from the Hawaii Council for Associations of Apartment Owners and three individuals.

Your Committee finds that under existing law, the period to bring an action against a developer is tolled for the period the developer retains control of the condominium project. This is necessary to prevent a developer from avoiding responsibility for design or construction defects simply by maintaining control of an association until after the statute of limitations period expires.

However, your Committee further finds that existing law does not expressly address the effect of the statute of repose applicable to construction to improve real property. This measure ensures that the statute of repose shall not affect an association's right of action against a developer sooner than two years after the period of developer control terminates.

2023-2550 SB921 HSCR HMSO



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 921 and recommends that it pass Second Reading and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,

  
MARK M. NAKASHIMA, Chair



