STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 03

, 2023

RE: H.B. No. 1121

H.D. 1

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1121, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LEASEHOLD CONVERSION,"

begs leave to report as follows:

The purpose of this measure is to exempt one hundred percent of the gain realized by a fee simple owner from the sale of a leased fee interest in units within a condominium project, cooperative project, or planned unit development to the association of apartment owners or residential cooperative housing corporation of the leasehold units.

Your Committee received testimony in support of this measure from the Palehua Townhouse Association, Hawaii Council of Associations of Apartment Owners, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1121, H.D. 1, and recommends that it pass Third Reading.

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

KYLE T. YAMASHITA, Chair

State of Hawaii

House of Representatives
The Thirty-second Legislature

House of Representatives

House of Representatives

Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:	· 1 - 1 -		
HB 1121 HD1	HSG, CPC, FI	5G, CPC, FIN 2/24/23			
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
FIN Members	Ayes	Ayes (WR)	Nays	Excused	
1. YAMASHITA, Kyle T. (C)	V				
2. KITAGAWA, Lisa (VC)	V				
3. AIU, Micah P.K.			Y		
4. CHUN, Cory M.	✓				
5. COCHRAN, Elle					
6. GARRETT, Andrew Takuya					
7. KAHALOA, Kirstin					
8. KILA, Darius K.	V				
9. KOBAYASHI, Bertrand	V				
10. LAMOSAO, Rachele F.					
11. MORIKAWA, Dee					
12. NISHIMOTO, Scott Y.	V				
13. POEPOE, Mahina	V				
14. TAKENOUCHI, Jenna	V				
15. ALCOS III, David					
16. WARD, Gene					
TOTAL (16)	14		0	1	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Commune actorym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					