STAND. COM. REP. NO.

1747

Honolulu, Hawaii

, 2025

APR 02

RE: S.B. No. 385

S.D. 1 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 385, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to require condominium associations to provide copies of their governing documents to owners or their authorized agents, upon request, in print or electronic form at no cost.

Your Committee received testimony in support of this measure from the Palehua Townhouse Association; Hawai'i Association of REALTORS; Mortgage Bankers Association of Hawaii; and eight individuals. Your Committee received testimony in opposition to this measure from Hawaii First Realty and one individual. Your Committee received comments on this measure from the Honolulu Tower AOAO and seven individuals.

Your Committee finds that the existing condominium law is based upon the principles of self-governance, owner enforcement, alternative dispute resolution, and limited government intervention. Your Committee further finds that the capacity of condominium owners to effectively govern themselves and enforce the covenants, conditions, and restrictions of their condominiums

is dependent upon the owners' access to the governing documents. Existing law already authorizes access to governing documents at a reasonable fee. This measure further opens access to those essential documents by making access free.

Your Committee has amended this measure by:

- (1) Requiring electronic copies of the condominium association's governing documents, rather than both paper and electronic copies, to be provided at no cost upon request of the unit owner or the unit owner's authorized agent;
- (2) Clarifying that the access to governing documents includes when the documents are restated, as well as amended;
- (3) Inserting a definition of "governing documents" to mean the declaration; bylaws; covenants, conditions, and restrictions; and house rules;
- (4) Limiting the existing authority to charge a reasonable fee for copies of association documents to be only for duplication, postage, and stationery;
- (5) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 385, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 385, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

SCOT Z. MATA SHI, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

The Thirty-third Legislature HSGR 1747 Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 385, SD1	Committee Referral:			5
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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. MATAYOSHI, Scot Z. (C)				
2 CHUN Com M (VC)				
2. CHUN, Cory M. (VC)				
3. ILAGAN, Greggor				
4. ICHIYAMA, Linda	V			
5. IWAMOTO, Kim Coco				
3. IWAMOTO, Kim Coco				
6. KONG, Sam Satoru				
7. LOWEN, Nicole E.	V			
8. MARTEN, Lisa				
	/			
9. TAM, Adrian K.	V			
10 DIEDICK Elijah				
10. PIERICK, Elijah	V			
				3
TOTAL (10)	10			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acropying				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				