

STAND. COM. REP. NO.

3317

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 276
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 276, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to exclude a homeowner-developer from the annual requirement to file a developer's report and pay a fee if the homeowner's development consists of no more than two units, one in which the developer resides and one for which the initial sale of the other unit has been completed.

Your Committee received testimony in support of this measure from the Grassroot Institute of Hawaii and two individuals.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Hawai'i Real Estate Commission.

Your Committee finds that existing law characterizes homeowner-developers who subdivide their property into two units under a condominium property regime as developers, meaning they are required to file an annual report and pay an annual fee until



all units in the development have been sold. This requirement applies even when the homeowner-developer is not actively selling or developing additional units. This measure would streamline regulation for homeowner-developers of two or fewer units by exempting them from annual filing requirements.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that a condition of the annual report filing exemption shall be that one of the units has been the principal place of residence of the developer, its successor, or assign for at least ten years after the anniversary date of the first effective date for a developer's public report;
- (2) Inserting language to clarify that if the developer no longer meets certain exemption conditions, the developer, its successor, or assign shall resume filing subsequent annual reports;
- (3) Updating section 1 to reflect its amended purpose; and
- (4) 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. 276, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 276, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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



JARRETT KEOHOKALOLE, Chair



