

STAND. COM. REP. NO. 2389

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 2294  
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 S.B. No. 2294 entitled:

"A BILL FOR AN ACT RELATING TO COMMON INTEREST COMMUNITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to specify that all condominium associations, boards, and managing agents for all common interest communities are required to comply with the declaration, bylaws, and all county ordinances and state and federal laws, rules, and regulations, including mortgage lending requirements.

Your Committee received testimony in support of this measure from Palehua Townhouse Association and nine individuals.

Your Committee received testimony in opposition to this measure from the Hawaii Legislative Action Committee of the Community Associations Institute; Associa; Law Offices of Mark K. McKellar, LLC; AOA Lakeview Sands; and thirteen individuals.

Your Committee finds that common interest community associations, led by boards and managing agents, are intended to operate under the principles of self-governance and self-enforcement. This measure would clarify that the authority of the association, board, or managing agent of a common interest community is not unlimited and that they are obligated to comply



with all county ordinances and state and federal laws, rules, and regulations, including mortgage lending requirements.

Your Committee notes the concerns raised in testimony that this measure could create ambiguities and uncertainties and infers doubt about the rule of law. Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have clarified that a condominium association and its board are subject to all county ordinances and state and federal laws, rules, and regulations, including mortgage lending requirements;
- (2) Deleting language that would have clarified that a managing agent of a condominium, planned community association, or cooperative housing corporation is subject to all county ordinances and state and federal laws, rules, and regulations, including mortgage lending requirements;
- (3) Inserting language that clarifies that any action by a condominium association, board, or managing agent pursuant to chapter 514B, Hawaii Revised Statutes, shall comply with any applicable laws, rules, and regulations;
- (4) Amending section 1 to reflect its amended purpose;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) 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 S.B. No. 2294, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2294, S.D. 1, and be referred to your Committee on Judiciary.



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



JARRETT KECHOKALOLE, Chair



