

Honolulu, Hawaii

February 28, 2014

RE: H.B. No. 1830

H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1830, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE APPRAISERS,"

begs leave to report as follows:

The purpose of this measure is to make real estate arbitration awards that determine fair market value, fair market rent, and fair and reasonable rent, a matter of public record regardless of any agreement among the parties or the arbitrator.

Citizens for Fair Valuation; Pacific Jobbers Warehouse, Inc.; JN Group, Inc.; Kapolei Medical Park; Paradise Park, Inc.; Waiakamilo Shopping Center; Waialae Plaza; and three individuals testified in support of this measure. The Land Use Research Foundation of Hawaii testified in opposition to the measure.

Your Committee notes that the current confidentiality process in real estate arbitration awards allows appraisers, attorneys, and lessors to retain important data while shielding the information from lessees. Accordingly, the process places lessees at a disadvantage by preventing them from researching and determining whether a lessor is truly offering "fair market rent." Your Committee finds that requiring various fair market arbitration awards to be publicly recorded with the Bureau of Conveyances will promote openness and transparency in real estate contracts by allowing all parties to negotiate with the same information.



Your Committee has amended this measure, by changing the effective date to July 1, 2112, to encourage further discussion on the measure.

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 H.B. No. 1830, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1830, H.D. 2.

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



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ANGUS L.K. MCKELVEY, Chair



State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 809-14

**Record of Votes of the Committee on Consumer Protection and Commerce**

<b>Bill/Resolution No.:</b> HB 1830, HD 1	<b>Committee Referral:</b> WAL, CPC	<b>Date:</b> 2/26/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. KAWAKAMI, Derek S.K. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. CREAGAN, Richard	/			
7. EVANS, Cindy				/
8. HAR, Sharon E.				/
9. ITO, Ken	/			
10. LEE, Chris				/
11. NAKASHIMA, Mark M.	/			
12. OSHIRO, Marcus R.	/			
13. TSUJI, Cliff	/			
14. YAMANE, Ryan I.	/			
15. MCDERMOTT, Bob	/			
16. THIELEN, Cynthia	/			
<b>TOTAL (16)</b>	13			3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="margin-left: 150px;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ 				
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