

STAND. COM. REP. NO. 444

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 272  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 272 entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE SELLER  
DISCLOSURE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify the document disclosure requirements for sellers of residential real property to include all documentation relating to any restrictions or conditions within the seller's knowledge or control; and
- (2) Repeal the requirement that the seller disclose any unrecorded rules or guidelines that may have been issued by any entity responsible for enforcing those restrictions or guidelines.

The Hawaii Association of REALTORS testified in support of this measure.

Your Committee finds that existing law requires sellers to provide buyers with all documentation relating to any restrictions or conditions associated with the seller's property, including unrecorded rules or guidelines. While recognizing that this requirement may create an unreasonable burden for sellers as this information may be outside the knowledge or control of the seller,

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your Committee also recognizes that sellers are required to act in good faith and disclose all material facts to the buyer. Accordingly, the seller should be required to disclose unrecorded rules or guidelines if this information is within the seller's knowledge or control.

Your Committee has amended this measure to clarify that sellers are required to disclose all documentation relating to any restrictions or conditions within the seller's knowledge or control, including any unrecorded rules or guidelines.

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. 272, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 272, H.D. 1, and be referred to the Committee on Judiciary.

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



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ANGUS L.K. MCKELVEY, Chair



