

STAND. COM. REP. NO.

3543

Honolulu, Hawaii

APR 06 2018

RE: H.B. No. 2118
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2118, H.D. 1, S.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 allow a condominium board to borrow money for the installation of equipment for the health and safety of residents, in the event of a government mandate to install such equipment, without the consent of owners where at least twenty percent of owners reside outside of the United States.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Hawaii Council of Associations of Apartment Owners, Associa Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from Hui 'Oia'i'o and two individuals.

Your Committee finds that automatic fire sprinkler systems have been proven to save lives and property and protect the environment. Death rates and property loss are substantially reduced when these systems are installed and properly maintained. Your Committee has heard testimony from the Hawaii State Fire Council expressing concern that many property owners reside in




foreign countries and do not respond to requests from the condominium board regarding life safety issues. This measure will empower condominium boards to borrow money for the installation of equipment for the health and safety of residents even in situations when owners residing outside of the United States cannot be contacted or are unresponsive.

Your Committee has heard testimony expressing concerns that the provisions of this measure could potentially be abused by condominium boards to the detriment of unit owners and encourages your Committee on Conference, if it examines this measure, to consider adjusting the minimum percentage of owners who reside outside the United States from twenty percent to fifty percent.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2118, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2118, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,


BRIAN T. TANIGUCHI, Chair

