

STAND. COM. REP. NO.

2539

Honolulu, Hawaii

MAR 01 2018

RE: S.C.R. No. 27  
S.D. 1

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

Sir:

Your Committee on Housing, to which was referred S.C.R.  
No. 27 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO  
CONDUCT A SUNRISE REVIEW OF THE LICENSURE AND REGULATION OF  
HOME INSPECTORS,"

begs leave to report as follows:

The purpose and intent of this measure is to request the  
Auditor to conduct a sunrise review of the licensure and  
regulation of home inspectors.

Your Committee received testimony in support of this measure  
from the Professional and Vocational Licensing Division of the  
Department of Commerce and Consumer Affairs, Hawai'i Association of  
REALTORS, and six individuals. Your Committee received testimony  
in opposition to this measure from Diamond Head Home Inspections  
and ten individuals. Your Committee received comments on this  
measure from one individual.

Your Committee finds that buying a home could be the largest  
single investment a person or family will ever make. To minimize  
unexpected costs and delays in purchasing the home, it is  
important for the purchaser to learn as much as possible about the  
newly constructed or existing home before closing on the purchase.  
A home inspection may identify any needed repairs or builder  
defects prior to closing, as well as any maintenance issues that



are necessary to keep the home in good condition after purchase. For existing homeowners, a home inspection can identify potential problems and suggest preventive measures that might help the homeowner avoid costly future repairs. For sellers, a home inspection can give the seller an opportunity to make repairs that will put the house in better selling condition. Thus, home inspectors play an integral role in many real estate transactions.

Your Committee further finds that unlike other professionals who are involved in real estate transactions such as real estate appraisers, real estate brokers and salespersons, mortgage loan originators, and mortgage servicers, home inspectors are not regulated by the State and do not require state licensure to perform services in Hawaii. By requesting the Auditor to conduct a sunrise review of the licensure and regulation of home inspectors, this measure complies with the Hawaii Regulatory Licensing Reform Act.

Your Committee has amended this measure by 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 Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 27, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 27, S.D. 1.

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



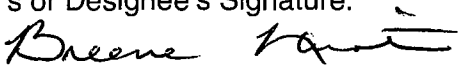
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WILL ESPERO, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Housing**  
**HOU**

Bill / Resolution No.:* <b>SCR 27</b>	Committee Referral: <b>HOU, CPIT</b>	Date: <b>2/13/18</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)	✓			
HARIMOTO, Breene (VC)	✓			
GREEN, Josh		✓		
KAHELE, Kaiali'i				✓
NISHIHARA, Clarence K.				✓
<b>TOTAL</b>	<b>2</b>	<b>1</b>		<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes