

STAND. COM. REP. NO.

1373

Honolulu, Hawaii

March 23, 2007

RE: S.B. No. 1654
S.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred S.B. No. 1654, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUM MANAGEMENT DISPUTE
RESOLUTION,"

begs leave to report as follows:

The purpose of this bill is to provide a less-expensive,
quicker means of resolving condominium disputes by reinstating the
Condominium Dispute Resolution Pilot Project (Pilot Project)
established by Act 164, Session Laws of Hawaii (SLH) 2004.

The Department of Commerce and Consumer Affairs (DCCA),
Hawaii Independent Condominium & Cooperative Owners, Hawaii
Legislative Action Committee of the Community Associations
Institute, Hawaii Council of Associations of Apartment Owners, and
a concerned individual testified in support of this bill.

Your Committee finds that the Pilot Project provided an
administrative hearing process under DCCA for disputes failing
mediation under section 514A-121.5, Hawaii Revised Statutes (HRS).
The Pilot Project, including the mediation process under section
514A-121.5, HRS, was repealed on June 30, 2006, leaving several
pending cases unresolved.


SB1654 SD1 HSCR CPC HMS 2007-3258



Although a similar dispute resolution process was established by Act 277, SLH 2006, that process, scheduled to sunset on June 30, 2009, only applies to condominiums created after July 1, 2006, and governed by chapter 514B, HRS, pursuant to section 514B-21, HRS, unless the condominium owners amend their governing documents pursuant to 514B-23, HRS, and adopt chapter 514B, HRS. This bill reenacts the Pilot Project to provide a condominium dispute resolution process for cases involving condominiums governed by chapter 514A, HRS, including cases pending before DCCA that were dismissed due to the repeal of the Pilot Project.

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 S.B. No. 1654, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

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




ROBERT N. HERKES, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 1654 SD 1		Date: March 19, 2007		
Committee Referral: CPC, JUD		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments				
<input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)				✓
2. McKELVEY, Angus L.K. (VC)	✓			
3. CALDWELL, Kirk	✓			
4. EVANS, Cindy	✓			
5. GREEN, Josh, M.D.	✓			
6. ITO, Ken	✓			
7. LUKE, Sylvia	✓			
8. MORITA, Hermina M.	✓			
9. SONSON, Alex M.	✓			
10. SOUKI, Joseph M.	✓			
11. TSUJI, Clift	✓			
12. YAMANE, Ryan I.	✓			
13. YAMASHITA, Kyle T.	✓			
14. MARUMOTO, Barbara C.	✓			
15. THIELEN, Cynthia				✓
TOTAL	13			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:  Kirk Caldwell				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				