

Honolulu, Hawaii

MAR 02 2007

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

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred S.B. No. 1654 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish a process for
condominium dispute resolution for condominiums governed by
chapter 514A, Hawaii Revised Statutes (HRS).

Specifically, this measure seeks to reenact section 28 of Act
164, Session Laws of Hawaii 2004 (Act 164), which created the
Condominium Dispute Resolution Pilot Project within the Office of
Administrative Hearings of the Department of Commerce and Consumer
Affairs (Office of Administrative Hearings).

Your Committee received testimony in support of this measure
from the Office of Administrative Hearings, the Hawaii Independent
Condominium and Co-op Owners, and the Hawaii Chapter of the
Community Associations Institute.

Your Committee finds that section 28 of Act 164, Session Laws
of Hawaii 2004, created the Condominium Dispute Resolution Pilot
Project within the Office of Administrative Hearings for
condominiums created under chapter 514A, HRS. This pilot project
was repealed on June 30, 2006.



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Your Committee further finds that while a new condominium dispute resolution process has been established in chapter 514B, HRS, the process found in chapter 514A, HRS, does not apply to those condominiums still governed by chapter 514A, HRS. This measure seeks to recreate a similar dispute resolution process for those condominiums still governed by chapter 514A, HRS.

Your Committee has amended this measure, based partially upon the testimony of the Office of Administrative Hearings, by:

- (1) Adding a sunset date of June 30, 2009;
- (2) Allowing cases that were before the Office of Administrative Hearings under the Condominium Dispute Resolution Pilot Project, as created by Act 164, on June 30, 2006, to be reinstated and resolved under the provisions of this measure; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1654, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,



BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Commerce, Consumer Protection and Affordable Housing
CPH

Bill / Resolution No.:* SB 1654	Committee Referral: CPH	Date: 2/27/7		
<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
TANIGUCHI, Brian T. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will	✓			
IHARA, Jr., Les	✓			
SAKAMOTO, Norman				✓
SLOM, Sam	✓			
TOTAL	4			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Will Espero</i>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes