

Honolulu, Hawaii

**Apr: 1 23**, 2008

RE: H.B. No. 3331  
H.D. 2  
S.D. 2  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 3331, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to clarify dispute resolution procedures relating to the interpretation or enforcement of a condominium association's declaration, bylaws, house rules, or certain other matters. Among other things, this bill:

- (1) Clarifies the types of disputes that are subject to mediation;
- (2) Establishes notification requirements for mediations;



- (3) Allows the parties to a failed mediation to pursue arbitration no sooner than 30 days from the termination of mediation; and
- (4) Sets forth the procedures by which failed mediations may proceed to administrative hearings.

Your Committee on Conference finds that this bill enhances the condominium dispute resolution process intended to provide a quicker, less-expensive means of resolving condominium disputes. However, concerns were raised regarding:

- (1) The provision deeming a party to have participated in mediation upon receipt of written notice of the proceedings from the mediator, regardless of whether the party actually attends the mediation. There were concerns that this provision would lead to confusion because "participation" in the mediation context generally means attendance at a mediation session; and
- (2) The requirement that the mediator notify the Real Estate Commission in writing of the reasons that mediation was not completed. This requirement would erode the privacy of mediation communications, which is an essential component of these proceedings.

Accordingly, your Committee on Conference has amended this bill by:

- (1) Deleting the aforementioned provisions relating to a party's participation in mediation through the receipt of written notice, and the privacy of mediation communications;
- (2) Changing the effective date to July 1, 2008; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

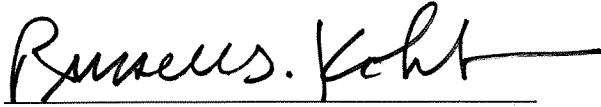
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 3331, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 3331, H.D. 2, S.D. 2, C.D. 1.



Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

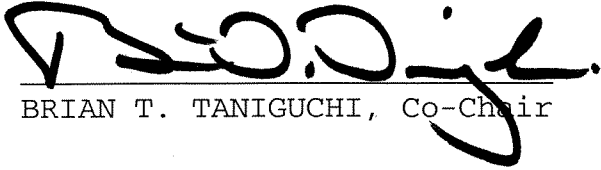
ON THE PART OF THE HOUSE



RUSSELL S. KOKUBUN, Chair



ROBERT N. HERKES, Co-Chair



BRIAN T. TANIGUCHI, Co-Chair



BLAKE K. OSHIRO, Co-Chair



Hawaii State Legislature

Record of Votes of a  
Conference Committee

HCCR 52-08

Bill / Concurrent Resolution No.: HB 3331, HD 2, SD 2	Date/Time: <span style="font-size: 1.2em;">4/17/08</span> <span style="font-size: 1.2em;">2:45 pm</span>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.


Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KOKUBUN, Russell S., Chr.	X				HERKES, Robert N., Co-Chr.	X			
TANIGUCHI, Brian T., Co-Chr.	X				OSHIRO, Blake K., Co-Chr.	X			
ESPERO, Will	X				MCKELVEY, Angus L.K.	X			
TRIMBLE, Gordon				X	MARUMOTO, Barbara C.	X			
<b>TOTAL</b>	<b>3</b>			<b>1</b>	<b>TOTAL</b>	<b>4</b>			

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is:  
 Adopted       Not Adopted

House Recommendation is:  
 Adopted       Not Adopted

Senate Lead Chair's or Designee's Signature:  


House Lead Chair's or Designee's Signature:  


**Distribution:**      **Original**      **Yellow**      **Pink**      **Goldenrod**  
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