

Honolulu, Hawaii

April 25, 2008

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

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 to which was recommitted H.B. No. 3331, H.D. 2, S.D. 2, C.D. 1, 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) Expands the availability of administrative hearings for failed mediations by including this option in the newer condominium law under Chapter 514B, Hawaii Revised Statutes (HRS).

Your Committee on Conference has amended this bill by:

- (1) Deleting the mediation notification requirements established by this measure;
- (2) Clarifying that the option to file for arbitration or an administrative hearing applies to parties to a proposed or terminated mediation, including instances where a party refuses to participate in mediation;
- (3) Specifying how the termination date of mediations is to be determined for purposes of the time limitations for parties to file for arbitration or an administrative hearing;
- (4) Restoring the statutory provisions in Chapter 514B, HRS:
 - (A) Enumerating the types of disputes exempt from mandatory mediation; and
 - (B) Providing that if mediation is not completed within two months from commencement, no further mediation is required unless agreed to by the parties;
- (5) Requiring the hearings officer to hear any matter identified in the mediation request in instances where no mediation has occurred prior to the hearing;
- (6) Inserting a savings clause;
- (7) Making this bill effective on the date of its approval, with a sunset date of June 30, 2009; and
- (8) 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, C.D. 1, as amended herein, and

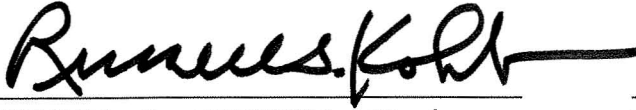


recommends that it pass Final Reading in the form attached hereto as
H.B. No. 3331, H.D. 2, S.D. 2, C.D. 2.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



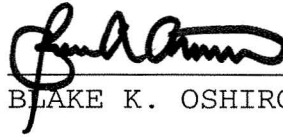
RUSSELL S. KOKUBUN, Chair



ROBERT N. HERKES, Co-Chair



BRIAN T. TANIGUCHI, Co-Chair



BLAKE K. OSHIRO, Co-Chair



