

STAND. COM. REP. NO. 659

Honolulu, Hawaii

March 5, 2009

RE: H.B. No. 875

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 875 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this bill is to enhance options for resolving condominium disputes by extending the Condominium Dispute Resolution Pilot Program (Pilot Program) for another two years.

The Hawaii Independent Condominium and Cooperative Owners and Hawaii Council of Associations of Apartment Owners testified in support of this bill. Several concerned individuals opposed this measure. The Department of Commerce and Consumer Affairs provided comments.

The Pilot Program, set forth in sections 514A-121.5 and 514B-161, Hawaii Revised Statutes, and set to expire on June 30, 2009, was established to facilitate quick and economical resolutions of disputes between condominium owners and their association boards. There is disagreement as to whether the Pilot Program has demonstrated it should be continued. There are also ongoing efforts to find alternatives to the Pilot Program, such as "evaluative mediation." Supporters of this bill want the Pilot Program to continue until a viable alternative has been fully developed. Your Committee is aware of these issues and is moving this bill along for further consideration.

HB875 HSCR CPC HMS 2009-2509



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 H.B. No. 875 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



ROBERT N. HERKES, Chair



