

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 574
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 574 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to extend the Condominium Dispute Resolution Pilot Project by two years.

Your Committee received testimony in support of this measure from Hawaii Independent Condominium & Cooperative Owners and Hawaii Council of Associations of Apartment Owners. Testimony in opposition to this measure was received from the Community Associations Institute and two individuals. Testimony with comments on this measure was received from the Department of Commerce and Consumer Affairs. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that although there have not been a sufficient number of requests for hearings filed with the Condominium Dispute Resolution Pilot Project to warrant the establishment of a permanent condominium dispute resolution contested case process, there is a need to provide a limited extension of the pilot project until a satisfactory replacement process may be established. Your Committee notes that the stakeholders who presented testimony on this measure expressed that all interested parties to this issue have agreed to work together to establish an evaluative mediation process to resolve condominium disputes. Your Committee encourages the proponents of



evaluative mediation to work with the Department of Commerce and Consumer Affairs to investigate evaluative mediation and make recommendations for instituting such a process by either administrative rule or legislation.

Your Committee has amended this measure by making a minor, nonsubstantive technical change.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 574, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 574, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 574	Committee Referral: CPN	Date: 2/24/2009		
<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
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh				✓
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
TOTAL	5			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">David Y Ige</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes