

STAND. COM. REP. NO. 295

Honolulu, Hawaii

Feb 18, 2009

RE: H.B. No. 355
H.D. 1

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. 355 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this bill is to promote fairness in the handling of delinquent condominium common expense assessments by:

- (1) Limiting any late fee for these assessments to 20 percent of the monthly maintenance fee in effect at the time of the delinquency; and
- (2) Requiring condominium associations to give unit owners written notice of any delinquent assessments at least ten business days before taking any action for which attorneys' fees may be assessed.

Several concerned individuals testified in support of this bill. The Mililani Town Association opposed this measure. The Hawaii Council of Associations of Apartment Owners and Hawaii Legislative Action Committee of the Community Associations Institute provided comments.




Your Committee has amended this bill by:

- (1) Clarifying that the late fees specified under this measure may be charged for each month the assessment remains unpaid; and
- (2) Changing the effective date to January 1, 2020, to encourage further discussion.

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. 355, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 355, H.D. 1, and be referred to the Committee on Judiciary.

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



ROBERT N. HERKES, Chair



