

STAND. COM. REP. NO.

683

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 1140
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1140 entitled:

"A BILL FOR AN ACT RELATING TO ARBITRATION,"

begs leave to report as follows:

The purpose of this bill is to allow an arbitrator to enter a default ruling against any party in an arbitration proceeding that fails to pay the arbitration fees or costs directed by an arbitrator or arbitration organization.

The Collection Law Section of the Hawaii State Bar Association supported this bill with amendments. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs and Hawaii Association for Justice opposed this bill. The Judiciary submitted comments.

Your Committee has amended this measure by:

- (1) Limiting default rulings for failure to pay arbitration fees and costs to arbitration proceedings where all parties are commercial entities; and
- (2) Changing its effective date to January 7, 2059, to encourage further discussion.



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As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1140, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1140, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,


GILBERT KEITH-AGARAN, Chair



