

STAND. COM. REP. NO.

248

Honolulu, Hawaii

FEB 16 2011

RE: S.B. No. 1125
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1125 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to preserve the condo court process of mediation, arbitration, administrative hearing, and judicial appeal for the resolution of certain disputes related to condominium matters.

Your Committee received testimony in support of this measure from the Hawaii Council of Associations of Apartment Owners and one private individual. Your Committee received testimony in opposition to this measure from Hawaii First, the Hawaii Chapter of Community Associations Institute, Certified Management, Ke Noho Kai Community Association, Palehua Community Association, Wailuna AAO, HKP AAO, Mililani Town Association, and fifteen individuals.

Your Committee finds that the condo court process is an important avenue for dispute resolution between condominium owners and associations. Since the process includes sequential components, it allows parties to a dispute to pursue multiple avenues to avoid litigation. Your Committee further finds that these subsequent avenues of relief are important mechanisms for avoiding a costly court process in many disputes and, therefore, should be preserved. Your Committee recognizes that there are multiple measures regarding the subject of condominium dispute

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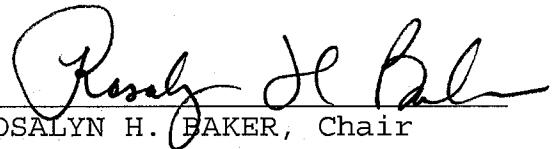


resolution that are currently being considered by this Legislature and notes that this measure is in harmony with those measures that preserve existing avenues of nonjudicial relief.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1125, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1125, S.D. 1, and be referred to the Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



