

Honolulu, Hawaii

March 15, 2012

RE: S.B. No. 2429  
S.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and  
Judiciary, to which was referred S.B. No. 2429, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO FORECLOSURES,"

beg leave to report as follows:

The purpose of this measure is to implement the 2011  
recommendations of the Mortgage Foreclosure Task Force and other  
best practices to address mortgage foreclosures and related  
issues, including:

- (1) Adding provisions relating to unpaid assessments and  
release of recorded liens by associations;
- (2) Clarifying the mortgage foreclosure law under chapter  
667, Hawaii Revised Statutes, by establishing general  
provisions and provisions for an association alternate  
power of sale process;
- (3) Clarifying provisions relating to penalties and fines;
- (4) Clarifying provisions relating to public notice of  
public sale;
- (5) Clarifying provisions relating to unfair or deceptive  
acts or practices; and
- (6) Making other clarifying and conforming amendments.



The Department of Commerce and Consumer Affairs, Legal Aid Society of Hawaii, and a concerned individual testified in support of this measure. The Office of Consumer Protection supported the intent of this measure. The Hawaii Financial Services Association, Mililani Town Association, Hawaii Credit Union League, Hawaii Bankers Association, and many concerned individuals opposed this measure. The Hawaii Chapter of the Community Associations Institute, Hawaii Association of REALTORS, RCO Hawaii LLC, Anderson Lahne & Fujisaki LLP, and several concerned individuals provided comments.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2429, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Consumer  
Protection & Commerce and  
Judiciary,

  
GILBERT KEITH-AGARAN, Chair

  
ROBERT N. HERKES, Chair





