

Honolulu, Hawaii

April 4, 2013

RE: S.B. No. 505  
S.D. 2  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 505, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to support and encourage the use of mediation to settle condominium-related disputes by:

- (1) Adding "support for mediation of condominium related disputes" as an educational purpose eligible to be funded by the Condominium Education Trust Fund;
- (2) Establishing an additional annual Condominium Education Trust Fund fee of \$1.50 per condominium unit to be dedicated to support the mediation of condominium related disputes, and paid beginning with the July 1, 2015, biennium registration;
- (3) Setting the additional Condominium Education Trust Fund fee at a total of \$3 per unit until the Real Estate Commission adopts rules pursuant to Chapter 91, Hawaii Revised Statutes;
- (4) Specifying that professionally trained mediators including retired judges shall be used for condominium dispute mediation services; and

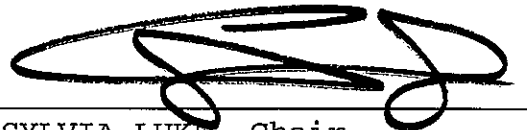


- (5) Requiring the Real Estate Commission to make adjustments to the allocation of amounts in the Condominium Education Trust Fund for various purposes to ensure that adequate funds are available for mediation of condominium related disputes prior to July 1, 2015.

The Hawaii Real Estate Commission, Community Associations Institute Hawaii Chapter, and a concerned individual testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 505, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



