

HOUSE OF REPRESENTATIVES  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2017

RECEIVED

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COMMITTEE ON CONSUMER PROTECTION & COMMERCE

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Rep. Gregg Takayama

**AMENDED NOTICE OF DECISION MAKING**

DATE:      Monday, February 13, 2017  
TIME:      2:00PM  
PLACE:     Conference Room 329  
              State Capitol  
              415 South Beretania Street

**A M E N D E D   A G E N D A**

The following measure(s) has been **ADDED** to the agenda: **HB 948, HB 1027, HB 1028, HB 1172, HB 1498, HB 1499, HB 1019, HB 1086, HB 1087, HB 665 HD1, HB 1566 HD1, HB 674 HD1**

The following measure(s) were previously heard on **January 31, 2017**.

HB 244  
Status

RELATING TO CONDOMINIUMS.

CPC, JUD

Part I: Purpose section. Part II: Clarifies that when a unit owner and association reach a payment plan to cure a nonjudicial foreclosure, completion of the payment plan is required to cure the default; specifies that if a unit owner and an association have agreed on a payment plan to prevent a nonjudicial foreclosure from proceeding, any association fines imposed while the payment plan is in effect shall not be deemed a default under the payment plan; and clarifies the obligations of a unit owner and an association while a unit owner is not otherwise in default under a payment plan. Part III: Clarifies that the pay first, dispute later provisions in Hawaii's condominium law apply only to common expense assessments claimed by an association of apartment owners; specifies that a unit or apartment owner who disputes the amount of an assessment may request a written statement about the assessment from the association, including that a unit or apartment owner may demand mediation prior to paying contested charges, other than common expense assessments; specifies requirements for mediation on contested charges, except for common expense assessments; and repeals language that permitted associations to convert delinquent fines and late fees into delinquent common expense assessments, if certain conditions were met. Part IV: Makes conforming amendments.



The following measure(s) were previously heard on **February 1, 2017**.

<u>HB 247</u> <u>Status</u>	RELATING TO CHAPTER 245, HAWAII REVISED STATUTES. Increases the excise tax imposed on large cigars from fifty to seventy per cent of the wholesale price of any large cigar sold by a wholesaler or dealer on and after January 1, 2018, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer.	CPC, FIN
<u>HB 769</u> <u>Status</u>	RELATING TO TAXATION. Changes the tax rate on sales of large cigars.	CPC, FIN

The following measure(s) were previously heard on **February 2, 2017**.

<u>HB 345</u> <u>Status</u>	RELATING TO TAXATION. Amends the definition of "business" in the State's general excise tax law.	CPC, FIN
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The following measure(s) were previously heard on **February 7, 2017**.

<u>HB 832</u> <u>Status</u>	RELATING TO CONDOMINIUMS. Allows association members who are not on the board to participate in any deliberation or discussion, except for executive sessions. Allows the condominium board members pursuant to board rules to limit the time provided to any member of the condominium association to participate in deliberation. Allows members of a condominium association to attend executive sessions with approval by a majority vote of the condominium board members, subject to certain limitations.	CPC
<u>HB 1083</u> <u>Status</u>	RELATING TO MONEY TRANSMITTERS. Clarifies chapter 489D, Hawaii Revised Statutes, including requirements for money transmitter license and change in control applications, criminal background checks, security devices, permissible investments, records, and voluntary surrender of license. Amends definitions of "outstanding payment instrument", "person" and "principal". Repeals definition of "key shareholder".	CPC, FIN
<u>HB 1465</u> <u>Status</u>	RELATING TO LIQUOR. Amends statutory language on liquor license application and operating procedures for clarity.	CPC, FIN
<u>HB 917</u> <u>Status</u>	RELATING TO INSURANCE. Clarifies that a mutual benefit society shall maintain a minimum net worth calculated based on annual net premium revenues and net health care expenditures.	CPC, FIN



<u>HB 1084</u> <u>Status</u>	RELATING TO MORTGAGE SERVICERS. Clarifies and updates requirements under chapter 454M, Hawaii Revised Statutes, for mortgage servicers. Adds new sections for change in control, and defining "presumption of control". Adds a definition of "executive officer".	CPC, FIN
<u>HB 991</u> <u>Status</u>	RELATING TO OPEN GOVERNMENT. Allows the electronic mailing and posting of meeting notices; requires the posting of the meeting notice and minutes on the state or appropriate county websites; and increases public access to information before a public hearing by a board. Effective January 1, 2018.	CPC, JUD
<u>HB 1241</u> <u>Status</u>	RELATING TO MORTGAGE SERVICERS. Exempts nonprofit organizations and their employees who are already exempt from licensure and registration as mortgage loan originators from regulation as mortgage loan servicers.	CPC, JUD
<u>HB 1211</u> <u>Status</u>	RELATING TO FORECLOSURES. Provides that a mortgagor or other person in interest may impeach foreclosure proceedings prior to entry of a memorandum on an existing certificate of title.	CPC, JUD
<u>HB 1085</u> <u>Status</u>	RELATING TO MORTGAGE LOAN ORIGINATION. Clarifies and updates requirements under chapter 454F, Hawaii Revised Statutes, for mortgage loan origination. Clarifies persons subject to criminal history disclosures and criminal history background checks on applications for licensure and change of control of the licensee, and when a person is presumed to control a mortgage loan originator company (MLOC). Clarifies responsibilities of a "qualified individual", amends the definition, and requires an exempt sponsoring MLOC to have a qualified individual and a principal place of business in the State. Clarifies supervisory requirements of nonprofit organizations under chapter 454F, Hawaii Revised Statutes, and when a nonprofit employee is exempt from registration and licensure as a mortgage loan originator. Clarifies the applicable fee for a criminal history background check. Defines "executive officer".	CPC, FIN
<u>HB 347, HD1</u> <u>(HSCR11)</u> <u>Status</u>	RELATING TO EMPLOYMENT SECURITY. Clarifies Hawaii's employment security law for independent contractors. Includes twenty factors to be used as guidelines when determining whether an individual could be an independent contractor. Retains the ability of the department of labor and industrial relations to determine if an individual is an independent contractor. Requires the director of labor and industrial relations to report to the legislature prior to the regular session of 2018 regarding guidelines developed by the unemployment insurance coverage committee. Requires an annual report to the legislature regarding covered employment determinations. (HB347 HD1)	LAB, CPC, FIN



HB 398, HD1  
(HSCR27)  
Status

**RELATING TO TAXATION.**

Requires retailers or vendors that are not located in the State and not required to pay or collect general excise or use tax for sales to send certain information to purchasers in the State. Requires retailers or vendors to submit an annual report to the department of taxation.  
(HB398 HD1)

EDB, CPC, FIN

The following measure(s) were previously heard on February 9, 2017.

HB 948  
Status

**RELATING TO THE FUEL TAX.**

Requires every retail dealer to conspicuously post a tax rate decal on each pump owned or leased by the retail dealer that displays the current federal fuel tax, state fuel tax, each county's fuel tax, and state license tax assessed on a gallon of gasoline and other liquid fuel sold at the pump. Establishes the tax rate decal special fund to be administered by the department of agriculture. Provides a penalty. Makes appropriation. Takes effect on January 1, 2018.

CPC, FIN

HB 1027  
Status

**RELATING TO NONPROFIT CORPORATIONS.**

Amend chapter 414D, Hawaii Revised Statutes, to impose a duty of loyalty on directors and officers of nonprofit corporations, to prohibit directors from voting on matters where they have a conflict of interest, to recodify provisions that would allow nonprofit corporations to convert into and out of domestic nonprofit corporations, and to increase the length of time that the Attorney General has to review proposed dissolutions of public benefit corporations.

CPC, JUD

HB 1028  
Status

**RELATING TO CHARITABLE ORGANIZATIONS.**

Defines "property" as used in section 28-5.2, Hawaii Revised Statutes, regarding protection of charitable assets. Requires certain disclosures on collection bins for donated clothing and household items by for-profit and nonprofit organizations, authorizes an officer or an agent to file an initial registration statement for a charity, requires notice to the Attorney General and specifies a procedure when a charity seeks deactivation from registration, authorizes the Attorney General to require electronic signature for financial reports filed by professional solicitors, clarifies what is being certified by the electronic signature and therefore subject to section 710-1063, Hawaii Revised Statutes, regarding penalties for unsworn statements shall apply, allows charitable organizations that file an IRS Form 990-PF to file annual reports with the Attorney General on the same schedule as charities that file an IRS Form 990 or 990EZ, repeals obsolete and updates references to accrediting organizations, and clarifies that the exemption from registration for organizations that support educational institutions is a separate exemption from that of the educational institutions themselves.

CPC, JUD



HB 1172  
Status

**RELATING TO FIREWORKS.**

Clarifies that probable cause for arrests by law enforcement officers of fireworks offenders may be established based on statements from witnesses; and photographs, video recordings, and other recordings that can be authenticated by one or more witnesses.

CPC, JUD

HB 1498  
Status

**RELATING TO CONDOMINIUMS.**

Requires contracts between the association and the resident manager or general manager to be made available to any unit owner, and allows certain personal information to be redacted from the contracts.

CPC, JUD

HB 1499  
Status

**RELATING TO CONDOMINIUM ASSOCIATIONS.**

Authorizes use of the condominium education trust fund to fund disputes among board members or involving the managing agent, and to pay the arbitration fees. Authorizes the option for binding arbitration if mediation fails to resolve a dispute.

CPC, FIN

HB 1019  
Status

**RELATING TO THE STATE RISK MANAGEMENT AND INSURANCE ADMINISTRATION.**

Amend the responsibilities of the Comptroller to acquire risk management, investigative, claims adjustment, actuarial, and other services on a fee for services compensation method through an exemption of applicable sections in chapter 431, Hawaii Revised Statutes, that do not allow this. Chapter 431 only allows the State's insurance broker to be compensated through commissions paid by the insurance companies the State buys insurance from which are based on a percentage of the insurance policy premium.

CPC, FIN

HB 1086  
Status

**RELATING TO INSURANCE.**

Provides the Insurance Commissioner express prior approval authority over long-term care insurance rates. Makes technical, nonsubstantive amendments for clarity and consistency.

CPC, FIN

HB 1087  
Status

**RELATING TO INSURANCE.**

Updates Hawaii Revised Statutes title 24 by: changing the dollar amount of the benefits, recovery, or compensation obtained or attempted to be obtained for a class C felony, and misdemeanor; requiring insurers seeking a certificate of authority to submit a Uniform Certificate of Authority Application to the Insurance Division and to clarify that the insurer's name must comply with sections 431:3-202(b) and 431:4-104(d)(1); including application and service fees charged to motor vehicle self-insurers; allowing the Insurance Commissioner to issue a declaration before an event that may require the use of nonresident adjusters; complying with the National Association of Insurance Commissioners' Producer Licensing Model Act; allowing third-party claimants to claim the general excise tax and certificate of ownership fee in total loss claims; requiring that certain costs and expenses incurred by the Insurance Commissioner during supervisory proceedings be paid or reimbursed by the assets of the insurer; and making technical, nonsubstantive amendments for clarity and consistency.

CPC, FIN



**HB 665, HD1**  
**(HSCR39)**  
**Status**

**RELATING TO VICTIMS OF SEXUAL VIOLENCE.**  
Requires health insurance coverage for case management services by licensed mental health providers for victims of sexual violence. (HD1)

**HLT, CPC, FIN**

**HB 1566, HD1**  
**(HSCR43)**  
**Status**

**RELATING TO THE PUBLIC UTILITIES COMMISSION.**  
Establishes "substantial net benefit" as the public utilities commission's standard for a transfer or assignment of an electric utility and specifies certain guidelines to address when examining whether a substantial net benefit exists. (HB1566 HD1)

**EEP, CPC**

**HB 674, HD1**  
**(HSCR13)**  
**Status**

**RELATING TO CHILD CARE PROVIDERS.**  
Requires all child care providers subject to regulation by the Department of Human Services to obtain and maintain liability insurance as a condition of licensure, temporary permission, or registration. (HB674 HD1)

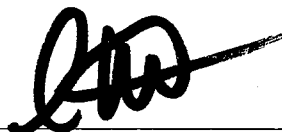
**HUS, CPC**

As this is a decision making meeting only, no public testimony will be accepted.

If you require special assistance or auxiliary aids and/or services to participate in the House public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the Committee Clerk at 586-6437 at least 24 hours prior to the hearing for arrangements. Prompt requests submitted help to ensure the availability of qualified individuals and appropriate accommodations.

For further information, please call the Committee Clerk at 586-6437.

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Rep. Angus L.K. McKelvey  
Chair

