

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

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2017 MAR 14 P 6:34

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

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Rep. Linda Ichiyama, Vice Chair

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HOUSE OF  
REPRESENTATIVES

Rep. Henry J.C. Aquino    Rep. Chris Todd  
Rep. Ken Ito                Rep. Ryan I. Yamane  
Rep. Calvin K.Y. Say     Rep. Beth Fukumoto  
Rep. Gregg Takayama

NOTICE OF HEARING

DATE:     Friday, March 17, 2017  
TIME:     2:00 PM  
PLACE:    Conference Room 329  
            State Capitol  
            415 South Beretania Street

A G E N D A

SB 369, SD1  
(SSCR650)  
Status

RELATING TO CONDOMINIUMS.  
Prohibits associations of apartment owners, boards of directors, managing agents, resident managers, and condominium owners from retaliating or discriminating against a condominium owner, board member, or association employee who files a complaint; acts in furtherance of a complaint, report, or investigation of an alleged violation of the State's condominium laws or a condominium's governing documents; or exercises or attempts to exercise any right as a condominium owner. Effective 07/01/2050. (SD1)

CPC, JUD

SB 378, SD1  
(SSCR562)  
Status

RELATING TO CONDOMINIUM PROPERTY REGIMES.  
Requires the department of commerce and consumer affairs to include a link on the real estate branch's condominium registration and education website to an educational video program produced by the Hawaii Council of Community Associations. Requires a disclaimer that specifies the video program is not produced by the State but is produced as a public service by a private nonprofit advocacy group as a public service to help educate condominium owners, condominium residents, and association board members. Effective 7/1/2050. (SD1)

CPC, FIN



SB 393  
(SSCR560)  
Status

RELATING TO CONDOMINIUMS.

Clarifies that the removal or replacement of a director elected by a class of unit owners shall be by a majority of only the members of that class. Specifies that for an election in a mixed-use condominium project where directors are elected by different classes of owners, an association may cast a vote or votes allocated to any nonresidential unit owned by the association where those eligible to vote in the election are limited to owners of one or more nonresidential units, including the nonresidential unit owned by the association.

CPC, JUD

SB 382, SD2  
(SSCR814)  
Status

RELATING TO THE PUBLIC UTILITIES COMMISSION.

Makes various updates to the structure and operations of the public utilities commission to increase efficiency and effectiveness, including: establishing guiding principles; establishing docket review and decision-making processes; permitting teleconference and videoconference abilities; specifying senior staff members who must file public financial disclosures; beginning 01/01/18, increasing the number of commissioners to five; updating the composition of the commission; specifying training requirements; clarifying commissioners' ability to appoint and employ staff; clarifying the roles of the executive officer and chief counsel; permitting neighbor island members to receive per diem compensation and compensation for travel expenses; requiring the commission to report to the legislature regarding certain staff duties; and requiring a management audit of the commission. Effective 07/01/2050. (SD2)

CPC, FIN

SB 286, SD1  
(SSCR696)  
Status

RELATING TO CHECK CASHING.

Specifies a customer has the right to rescind a deferred deposit by returning the principal amount used to fund the deferred deposit within a specified time frame. Permits customers to convert a deferred deposit into an installment loan plan in certain circumstances and specifies requirements for the installment loan plan. Protects against harmful collection practices. Defines annual percentage rate. Requires a check casher to post a notice informing customers that additional options may be available for safe, regulated, lower-cost, small dollar loans. Requires a check casher to provide a written agreement to a customer that clearly discloses specific information relating to the cost and fees associated with the deferred deposit, among other things. Caps the annual percentage rate at thirty-six per cent for deferred deposit of a personal check. Permits prepayment of deferred deposit agreements with no additional fees. (SD1)

CPC, FIN



SB 952, SD1  
(SSCR606)  
Status

RELATING TO INSURANCE.  
Provides the insurance commissioner express prior approval authority over long-term care insurance rates. Makes housekeeping amendments. (SD1)

CPC, FIN

SB 953, SD2  
(SSCR755)  
Status

RELATING TO INSURANCE.  
Conforms monetary penalties for insurance fraud with penal code monetary penalties for a class C felony and misdemeanor. Clarifies process for insurers applying for an original certificate of authority and transferring insurers amending corporate documents after a transfer. Specifies fee for a certificate of authority for an application for motor vehicle self-insurance. Permits insurance commissioner to issue a declaration before an event that may require the use of nonresident adjusters. Beginning 1/1/2019, conforms producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act. Allows third-party claimants to claim general excise tax and certificate of ownership fee in total loss claims. Requires certain costs and expenses incurred by the commissioner during supervisory procedures to be paid or reimbursed by insurer assets. Makes housekeeping amendments. Effective 7/1/2050. (SD2)

CPC, FIN

SB 885, SD2  
(SSCR679)  
Status

RELATING TO THE STATE RISK MANAGEMENT AND INSURANCE ADMINISTRATION.  
Amends 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. (SD2)

CPC, FIN

SB 394, SD1  
(SSCR829)  
Status

RELATING TO REAL ESTATE BROKERS.  
Creates criminal penalties for real estate brokers for improper deposit, segregation, or disposition of client trust account funds. Requires the principal broker to report the client trust account number and name of the managing institution to the real estate commission. Specifies that the principal broker must report changes in the account number and account location within ten days of a change. Authorizes the real estate commission to take action in circuit court to enforce client trust account requirements. Takes effect on 1/7/2059. (SD1)

CPC, JUD



SB 1227  
(SSCR843)  
Status

RELATING TO FORECLOSURES.

CPC, JUD

Makes permanent the affirmation requirement and form that is filed by an attorney on behalf of a mortgagee who is seeking to foreclose on a residential property under a judicial foreclosure action. Repeals the affirmation requirement of an attorney who files a complaint in a mortgage foreclosure action that would have been effective on 07/01/2017.

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least 24 hours prior to the hearing. Testimony should indicate:

- Testifier's name with position/title and organization;
- The Committee(s) to which the comments are directed;
- The date and time of the hearing; and
- Measure number.

While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may be distributed to the Committee after the hearing.

Submit testimony in ONE of the following ways:

PAPER: 20 copies (including an original) to Room 327 in the State Capitol;

FAX: For testimony less than 5 pages in length, transmit to 808-586-6221 (Oahu) or 1-800-535-3859 (for Neighbor Islander without a computer to submit testimony through e-mail or the Web); or

WEB: For testimony less than 10MB in size, transmit from <http://www.capitol.hawaii.gov/submittestimony.aspx>.

Testimony submitted will be placed on the legislative website. This public posting of testimony on the website should be considered when including personal information in your testimony.

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 586-6170 or email your request for an interpreter to [HouseInterpreter@Capitol.hawaii.gov](mailto:HouseInterpreter@Capitol.hawaii.gov) at least 24 hours prior to the hearing for arrangements. Prompt requests submitted help to ensure the availability of qualified individuals and appropriate accommodations.

Selected meetings are broadcast live. Check the current legislative broadcast schedule on the "Capitol TV" website at [www.capitoltv.org](http://www.capitoltv.org) or call 536-2100.



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Rep. Roy M. Takumi  
Chair

