

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 76
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 76 entitled:

"A BILL FOR AN ACT RELATING TO NONJUDICIAL FORECLOSURES,"

begs leave to report as follows:

The purpose of this measure is to confirm the Legislature's intent in authorizing condominium and homeowners' associations to use nonjudicial foreclosure to collect delinquencies without having specific authority in the association documents to conduct such foreclosures.

Associa, Community Associations Institute Hawaii Chapter, HI Council of Association of Apartment Owners, Law Offices of Mark K. McKellar, LLC, and numerous concerned individuals supported this measure. Kokua Council, Hui 'Oia i'o, Hawaiian Community Assets, and several concerned individuals opposed this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the existing right of associations to use the nonjudicial foreclosure process regardless of the existence of a power of sale provision in an association's governing documents; and



- (2) Changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 76, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 76, H.D. 1, and be referred to your Committee on Judiciary.

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



ROY M. TAKUMI, Chair



State of Hawaii
House of Representatives **HSCR 477**
The THIRTIETH Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 76	Committee Referral: CPC, JUD	Date: 2/12/19		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. BELATTI, Della Au				✓
5. CABANILLA ARAKAWA, Rida	✓			
6. CACHOLA, Romy M.	✓			
7. HAR, Sharon E.	✓			
8. KONG, Sam Satoru	✓			
9. MIZUNO, John M.				✓
10. ONISHI, Richard H.K.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	9	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Linda Ching</i></u>				
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