

STAND. COM. REP. NO.

466

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 298
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which
was referred S.B. No. 298 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to increase the amount of
unpaid maintenance fees that condominium associations may recover
in the event of the foreclosure of a condominium apartment.

Your Committee received testimony in support of this measure
from the Community Associations Institute and three individuals.
Testimony in opposition to this measure was received from Hawaii
Bankers Association, Hawaii Financial Services Association, Hawaii
Independent Condominium & Cooperative Owners, and Hawaii Council
of Associations of Apartment Owners. Written testimony presented
to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the rising number of home mortgage
foreclosures puts a burden on associations of apartment owners and
on individual apartment owners when an association loses
maintenance fees due to foreclosure. Your Committee finds that
this measure will allow associations of apartment owners to
continue regular upkeep and maintenance and to avoid unnecessarily
increasing maintenance fees.

Your Committee has amended this measure by:



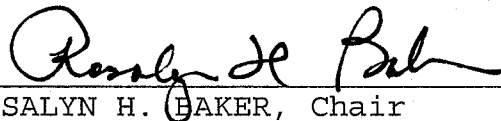
466

- (1) Increasing the maximum recoverable amount of unpaid maintenance fees from \$2,400 to \$3,600; and
- (2) Inserting a new section to include condominiums covered by chapter 514A, Hawaii Revised Statutes, so that this measure applies to all condominiums under Hawaii's parallel regulation structure.

Your Committee notes that the stakeholders who testified on this measure expressed that the maximum recoverable dollar amount contained in this amended measure has been agreed upon by all interested parties. Your Committee further notes that the \$3,600 maximum recoverable amount contained in this amended measure conforms with a similar provision in S.B. No. 572, which your Committee has previously recommended be placed on the calendar for Third Reading.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 298, S.D. 1, and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 298</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/24/2009</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh				✓
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
TOTAL	5			2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: center;">Amid y lge</div>				
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> Distribution: Original File with Committee Report </div> <div style="text-align: center;"> Yellow Clerk's Office </div> <div style="text-align: center;"> Pink Drafting Agency </div> <div style="text-align: center;"> Goldenrod Committee File Copy </div> </div>				

*Only one measure per Record of Votes