LATE TESTIMONY

NEIL ABERCROMBIE
GOVERNOR

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LT. GOVERNOR

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KEALI`I S. LOPEZ
DIRECTOR

TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

AND THE HOUSE COMMITTEE ON JUDICIARY

TWENTY-SIXTH LEGISLATURE
Regular Session of 2012

Monday, March12, 2012
2:10 p.m.

TESTIMONY IN SUPPORT OF SB2429 SD2: RELATING TO FORECLOSURES

TO THE HONORABLE ROBERT HERKES AND GILBERT S.C. KEITH-AGARAN, CHAIRS, AND MEMBERS OF THEIR COMMITTEES:

The Department of Commerce and Consumer Affairs (the "Department") appreciates the opportunity to testify in support of SB2429 SD2. My name is Everett Kaneshige, I am the chairperson of the Mortgage Foreclosure Task Force ("MFTF") and am also testifying on behalf of the Department.

The SD2 under consideration by the Committees addresses concerns from community associations regarding issues arising from enabling community association nonjudicial foreclosures using language borrowed from condominium association law. It also repeals Part I nonjudicial foreclosures (HRS §667-5), which necessitated adjusting

the timeline of the Mortgage Foreclosure Dispute Resolution ("MFDR") Program so that it would not greatly extend the amount of time needed to complete a Part II nonjudicial foreclosure (HRS §667-22). This was done by creating an exemption within the stay that goes into effect when participation in the MFDR Program is elected by an owner-occupant (SB 2429 SD2, Section 48). The other issue addressed by the SD2 was the possibility of electronic publication of notices of public sale arising from foreclosures in order to reduce the cost of publication, which is passed on to the foreclosed mortgagor. The Department assisted in providing the enabling language, which was inserted into Section 22 of the SD2, by adding a new subsection (2) to subsection (d) of HRS §667-27, as well as additional amendments to related parts of Part II to accommodate the change.

In addition to the above, the Department has identified the following potential issues for which it would like to propose amendments for the Committees' consideration:

1. In light of the deletion of Part I, the public information statement drafted by the MFTF is no longer accurate. Specifically, in Section 27, 667-41(b), under "STEP FOUR: DISBURSEMENTS OF PROCEEDS; POTENTIAL DEFICIENCY JUDGEMENT" the following amendment to the SD2 should be made (additions double-underlined, deletions bracketed and stricken):

> "In a NONJUDICIAL FORECLOSURE, the Mortgagee distributes the proceeds from the sale. ~~[If the mortgaged property does not sell for enough to pay off the balance due under your loan, the Mortgagee may have the right to file a lawsuit against you to collect~~

~~the deficiency. In many cases, after a nonjudicial foreclosure, a Mortgagee cannot or will not choose to file a lawsuit for a deficiency.~~] Unless the debt is secured by other collateral, or except as otherwise provided by the law, the recordation of both the conveyance document and affidavit shall operate as full satisfaction of the debt."

The original text had to account for the ability of a foreclosing mortgagee to pursue a deficiency under Part I, in the event that an owner-occupant had a fee simple or leasehold ownership interest in any other real property. As HRS §667-38 does not permit deficiencies unless the debt is secured by other collateral, the statement as originally drafted would not adequately describe the law.

2. Section 38 of the SD2 is an MFTF amendment that aims to enable the Department to contract with housing counselors and budget and credit counselors to provide services to the consumers participating in the MFDR Program. When it was drafted, an inadvertent error was made wherein the Department was allowed to contract with "private organizations or approved housing counselors or approved budget and credit counselors..." (emphasis added). The "or" should have been "and", as "or" implies that the Department may contract with a private organization, or an approved housing counselor, but not both. Therefore the following amendment to the SD2 is requested (additions double-underlined, deletions bracketed and stricken):

"(c) The department is authorized to contract with county, state, or federal agencies, and with private organizations,~~[or]~~ approved housing counselors, and ~~[or]~~ approved budget and credit counselors for the performance of any of the functions of this part. These contracts shall not be subject to chapter 103D or 103F."

3. There is an inconsistency in drafting in section 46, 667-81(d) of the SD2. In order to conform the sentence "If the agreement provides for foreclosure, the parties shall memorialize the agreement in a writing signed by both parties..." to a prior amendment made to 667-81(c) of the same section of the SD2, it should be amended to read "memorialize the agreement in writing, signed by both parties...".

4. The SD1 made an amendment to an Unfair Deceptive Act or Practice ("UDAP") clause related to the operation of the MFDR Program. This clause, prior to the SD1, was located in HRS §667-76(b), and pertains to the timely filing of a lender's foreclosure notice with the Department. It was moved, in the SD1, to Section 35, as a new subsection in 667-60(a)(13). This clause is absolutely necessary to the operation of the MFDR Program, such that if subsequent amendments are made to other parts of §667-60, it is critical that Section 35, 667-60(a)(13), should be preserved as is. That being said, the language of Section 35 conforms to the recommendations of the MFTF, and as such it represents the compromise between consumers, lenders, and title insurance stakeholders, therefore it is recommended that Section 35 of the SD2 should remain unamended.

Thank you for this opportunity to testify in support of SB 2429 SD2. The Department recommends that it be passed, with amendments per the comments above. I will be happy to answer any questions that the Chairpersons or members of the Committees may have.

LATE TESTIMONY

LAW OFFICE OF GEORGE J. ZWEIBEL
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House Committee on Consumer Protection & Commerce
House Committee on Judiciary

Hearing: Monday, March 12, 2012, 2:10 p.m.
Conference Room 325, State Capitol, 415 South Beretania Street

IN SUPPORT OF SB 2429, HD2

Chairs Herkes and Keith-Agaran, Vice Chairs, and Committee Members:

My name is George Zweibel. I am a Hawaii Island attorney and have for many years represented mortgage borrowers living on Oahu, Hawaii, Kauai and Maui. Earlier, I was a regional director and staff attorney at the Federal Trade Commission enforcing consumer credit laws as well as a legal aid consumer lawyer. I have served on the Legislature's Mortgage Foreclosure Task Force ("Task Force") since its inception in 2010, although the views I express here are my own and not necessarily those of the Task Force.

SB 2429, SD2 would implement the 2011 recommendations of the Task Force and other best practices, which I generally support.

The Task Force recommends amending § 667-60 to limit lender UDAP liability to serious, listed violations only. This recommendation reflects substantial compromise between the interests of borrowers and lenders was approved in direct response to lenders' stated concerns regarding liability for minor chapter 667 violations. I support the Task Force § 667-60 compromise.

In addition, I strongly support three provisions in SB 2429, SD2: (1) making permanent the mortgage foreclosure dispute resolution program; (2) repeal of the provision excluding participants in the dispute resolution program from converting nonjudicial foreclosures to judicial foreclosure actions; and (3) repeal of the nonjudicial foreclosure process under Part I of chapter 667.

I also respectfully request that your committees amend SB 2429, SD2 to: (1) require attorneys who institute residential judicial foreclosure actions to certify that they have verified the accuracy of the documents submitted; and (2) retain the requirement that mortgagees give all notices and do all acts required by the power of sale contained in the mortgage.

LATE TESTIMONY

Task Force § 667-60 compromise

By expressly stating that any chapter 667 violation constitutes an unfair or deceptive act or practice ("UDAP") under § 480-2, § 667-60 deters violations of the foreclosure law and at the same time provides meaningful remedies if they do occur. This helps prevent wrongful foreclosure, *e.g.*, when servicers make mistakes or fail to honor loan modification agreements, and ensures that important borrower rights are honored, including dispute resolution and conversion of nonjudicial to judicial foreclosures.

Lenders contend that § 667-60 may subject them to disproportionate penalties for trivial violations of chapter 667. The Task Force recommendations respond to lenders' stated liability concern in two ways. First, they recommend creating several "safe harbors," *e.g.*, providing a public information notice form lenders can use to comply with § 667-41 and clarifying where foreclosure notices must be published. Second, the Task Force recommends limiting the applicability of § 667-60 to listed chapter 667 violations that are most likely to result in wrongful foreclosure and/or financial harm. Voiding a transfer of title under § 480-12 would be further limited to the most serious of those violations, and a court action seeking such relief would have to be filed within 180 days.

The Task Force's recommended revision of § 667-60, approved by 13 of the 17 voting members, reflects substantial compromise and strikes a fair and reasonable balance between lenders' stated concerns regarding liability for minor violations on one hand, and the need to protect borrowers from real harm caused by serious chapter 667 violations on the other.

Make sunset of dispute resolution program permanent

Under Act 48, the dispute resolution program currently is scheduled to end on September 30, 2014. Although the program has been available since October 1, 2011, mortgagees have stopped doing nonjudicial foreclosures in Hawaii, based on their claimed fear of undue liability under § 667-60. Consequently, mortgagees' decision to stop doing nonjudicial foreclosures will reduce to considerably less than the intended three years the period during which dispute resolution is actually available. On the other hand, by facilitating negotiations between owner-occupants and mortgagees to determine whether a loan modification or other agreement avoiding foreclosure is possible, the dispute resolution program will benefit homeowners and loan holders alike for as long as it exists. For these reasons, the sunset provision in Act 48 should be repealed.

Allow participants in the dispute resolution program to convert nonjudicial foreclosures to judicial foreclosures

Foreclosure dispute resolution and converting a nonjudicial foreclosure to a judicial foreclosure are both extremely important rights. However, they serve

different purposes and borrowers should not be forced to choose between them. Conversion allows borrowers to assert legal claims and defenses in a court of law which, if established, may prevent a wrongful foreclosure and afford other relief. In contrast, dispute resolution creates a process for determining whether foreclosure can be avoided by reaching a mutually beneficial agreement, *e.g.*, by modifying loan terms, irrespective of whether legal foreclosure defenses may exist. Alternative dispute resolution should be encouraged and utilized as much as possible, but not at the cost of losing the conversion right if an agreement cannot be reached. Instead, the homeowner should retain the option, in the event dispute resolution is unsuccessful, to move the foreclosure to court so that a judge can decide whether valid foreclosure defenses exist.

Repeal nonjudicial foreclosure process under Part I

When the moratorium on new nonjudicial foreclosures under Part I expires on July 1, 2012, Hawaii would again have two very different but overlapping nonjudicial foreclosure laws. With implementation of the Task Force's 2011 recommended revisions (included in SB 2429, SD2), Part II would embody the best efforts of lender and borrower representatives as well as the Legislature to craft a fair, comprehensive and effective Hawaii nonjudicial foreclosure law. There is no reason for Part I to continue to provide for an inferior alternative nonjudicial foreclosure process and it should be eliminated.

Add judicial foreclosure attorney affirmation requirement

HB 1875, HD2, passed by the House of Representatives would require attorneys who file residential foreclosure actions to certify in writing that they have verified the accuracy of the documents submitted. Such due diligence by plaintiffs' attorneys would help prevent well-publicized problems involving failure to review loan documents establishing standing and other foreclosure requisites, filing notarized affidavits falsely attesting to such review and other material facts, and "robosigning" of documents.

A recent foreclosure audit in San Francisco County strongly suggests that the true magnitude of this problem – in Hawaii and elsewhere – is much greater than previously realized. Casting doubt on the validity of almost every foreclosure it examined, that audit determined that *84%* contained law violations, with 2/3 having at least four violations or irregularities. New York Times, Feb. 16, 2012, at A1, A3. Transfers of many loans were made by entities that had no right to assign them and institutions took back properties in auctions even though they had not proved ownership. In *45%* of the reviewed foreclosures, properties were sold at auction to entities improperly claiming to be the beneficiary of deeds of trust (used instead of mortgages to secure residential loans in California). In *6%* of the foreclosures, the same deed of trust was assigned to two or more different entities, raising questions about who actually had the right to foreclose. Many securitized foreclosures showed gaps in the chain of title, indicating that transfers

from the original loan owner to the entity currently claiming to own the deed of trust have disappeared.

Hawaii would not be the first state to require attorneys to certify that they have personally verified their clients' legal right to foreclose. The New York State Unified Court System instituted this requirement in October 2010, stating in its press release that it was adopting an attorney affirmation requirement "to protect the integrity of the foreclosure process and prevent wrongful foreclosures" and that the new filing requirement "will play a vital role in ensuring that the documents judges rely on will be thoroughly examined, accurate, and error-free before any judge is asked to take the drastic step of foreclosure." The proposed Hawaii attorney affirmation form is nearly identical to the one used in New York.

Courts in two of Ohio's largest counties, Cuyahoga County (where Cleveland is located) and Franklin County (where Columbus is located) have issued Case Management Orders requiring mortgagees' lawyers in residential foreclosure cases to ascertain and certify the accuracy of the facts and documents provided to the court. Although Ohio foreclosure attorneys objected to attorney affirmation requirements based on purported attorney-client concerns (*i.e.*, compelling them to "breach" clients' attorney-client privilege and their ethical obligations regarding confidentiality of client information), the courts there have not modified the Case Management Orders and in April 2011 the Ohio Supreme Court refused to order them to do so.

A foreclosure attorney affirmation requirement like the one in HB 1875, HD2 and those already in place in New York and Ohio (and possibly other states), would go far toward ending systematic foreclosure abuses and wrongful foreclosure in Hawaii.

Incorporate mortgage power of sale requirements

SB 2429, SD2 repeals § 667-5 as part of the repeal of the nonjudicial foreclosure provisions in Part I. Current § 667-5(a)(3) requires mortgagees to give all notices and do all acts required by the power of sale contained in the mortgage. Part II should state that failure to provide notices or disclosures required by the mortgage will also violate chapter 667. This would help ensure mortgagee compliance with the mortgage itself. Otherwise, such violations would be enforceable only as breaches of contract with much weaker remedies. This provision should also be expressly referred to in § 667-60(a) and be covered by § 667-60(b).

Thank you for your consideration of my testimony.

LATE TESTIMONY

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March 12, 2012

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Committee on Consumer Protection and Commerce

Representative Robert N. Herkes, Chair
Representative Ryan J. Yamane, Vice Chair

Committee on Judiciary

Representative Gilbert S.C. Keith-Agaran, Chair
Representative Karl Rhoads, Vice Chair

RE: S.B. No. 2429, S.D.2

Dear Representatives Herkes, Yamane, Keith-Agaran, and Rhoads:

Thank you for the opportunity to present testimony on S.B. No. 2429, S.D.2. Our comments are directed at the limitation on liens found in Part II, Section 2 (page 4); Part III, Section 11 (page 70); and Part III, Section 12 (page 75).

The language that provides that a lien recorded by a planned community association or condominium association shall expire two years from the date of recordation is an unnecessary and extremely harmful provision to associations and consumers and we believe that it should be stricken. However, as we understand that the legislators believe that this provision should remain, we urge you to revise the language to address the concerns below.

1. **The Automatic Lien.**

Problem: Condominium associations have had automatic statutory liens for almost 50 years and a number of planned community associations have had automatic liens by virtue of their governing documents for even longer. Such automatic liens protect associations from owners selling their units or lots without paying delinquent assessments. S.B. No. 2429, S.D.1 will take away this vitally important legal right without a compelling reason. While the proponents of this bill argue that the

proposed language refers only to "recorded" liens, it will have the effect of destroying the automatic lien because the provision would be meaningless if the expiration of the written lien does not also destroy the automatic lien.

Solution: At the very least, a provision should be added making it clear that the automatic lien will not be affected by the expiration of the recorded lien. There should be no reasonable objection to adding a provision of this nature because the proponents of the two-year lien provision assert that it will not affect the automatic lien.

2. Renewal of Lien.

Problem: As this Senate companion Bill is drafted, the lien will expire in two years without any opportunity to renew it. (The House companion Bill HB 1875 HD1 does permit a renewal of the lien.) This means that an association could spend thousands of dollars in foreclosing a lien only to find the lien extinguished in the middle of the foreclosure process because the process was delayed for reasons beyond the association's control. Foreclosure actions can be delayed for a number of reasons, such as problems in effectuating service, the filing of bankruptcies by delinquent owners, and the filing of appeals and/or motions filed by owners, lenders, and other parties to the action. In these instances, an association might not only lose its lien and right to foreclose, but it might also be required to pay the attorneys' fees and costs of the delinquent owner because the delinquent owner might be declared the "prevailing" party in the foreclosure proceeding and thus perhaps be entitled to an award of fees and costs against the association.

Solution: (1) Add a provision allowing the association to extend the life of the lien by renewing -- recording an updated lien, and (2) add a provision stating that the lien will not expire if proceedings have been initiated to enforce the lien.

3. Planned Community Associations.

Problem: Planned community associations often record liens to perfect their liens and/or to preserve lien priority, but seldom rush to foreclosure because the amounts at stake are low and don't justify incurring the expense of foreclosure. It is not uncommon for large planned community associations to have low assessments. For example, the Palehua Community Association's annual assessment is $70. We know of at least several others whose yearly assessments are in the low $400 range. If these associations are forced to proceed with foreclosure in time to complete the process before the expiration of two years, they will need to commence foreclosure proceedings before the debt is equal to $400. This means that many associations will be forced to incur thousands of dollars in attorneys' fees and costs to foreclose on debts of a few hundred dollars or less or risk losing their liens.

LATE TESTIMONY

Solution: Remove the two-year lien provision from Chapter 421J altogether. Whatever good it may do consumers in condominium projects (which is sketchy, to say the least), it will not do in planned community associations under Chapter 421J where debt accrues very slowly.

4. Exceptions to the Two Year Lien Language Are Needed.

Problem: We understand that the purpose of the two-year lien is to compel associations to act swiftly to collect assessments. However, it is not always necessary to foreclose to collect assessments. For example, if an owner is making payments under a payment plan or the association is collecting rent from the tenant of the delinquent owner, the association ought to be permitted to collect the outstanding balance in that fashion rather than be forced to foreclose. Additionally at times foreclosure proceedings cannot be quickly completed. For example, an owner might die during the course of the proceedings, it may be difficult to obtain service, and/or the owner may deliberately cause delays. SB No. 2429 currently makes no exception if these problems arise. Furthermore, if an owner files for bankruptcy, the association will be barred by the automatic stay from commencing a foreclosure proceeding. No exception is made for bankruptcies to the lien restrictions although many other states do so.

Solution: Add a provision that states that: 1) the recorded lien won't expire if the association has taken action to enforce the lien or collect the sums due; 2) define enforcement to include entering into a payment plan with an owner, sending a notice of default and intention to foreclose or taking any other action under chapter 667, filing a legal action to foreclose the recorded lien or for a monetary judgment for amounts due, demanding payment of rent from the tenant of the delinquent owner, and/or taking action to terminate utilities; and 3) if the owner of a unit subject to a recorded lien of the association files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the recorded lien should be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted as to the association's recorded lien as other states permit.

5. Two Years is Too Short.

Problem: The two year lien is too short. Of the 33 states that have adopted a limitation on the life of a lien, (see chart attached) only 5 states have limited the lien to two years or less. The remaining states have given the life of the lien more years (*e.g.*, 17 states have adopted a 3 year lien statute, 3 states have adopted a 5 year lien statute, 7 states have adopted a 6 year lien statute, and 1 state has adopted a 12 year lien statute). Also, keep in mind that 20 states, including California, have not limited liens at all.

Solution: Increase the life of the lien to 6 years to coincide with the statute of limitations for the collection of debts. At the very least, the life of the lien should be no less than 3 years.

LATE TESTIMONY

Thank you for your consideration of our testimony and suggested solutions to the two-year lien provision found in S.B. No, 2429, S.D. 2.

Sincerely,

M. Anne Anderson

Philip L. Lahne

Lance S. Fujisaki

Joyce Y. Neeley

Attached: Chart Showing Other State Legislation.

1	2	3	4	5	6	12
1. Florida (ca)* *One year & automatic extension from bankruptcy filing.	1. Idaho (ca, hoa)* 2. Mississippi (ca)* 3. Nevada (ca)* 4. Minnesota (ca)* * One year lien with right to renew for one more year.	1. Alabama (ca) 2. Alaska (cic) 3. Arizona (ca) 4. Connecticut (cic) 5. District of Colombia (ca) 6. Delaware (cic) 7. Missouri (ca) 8. North Carolina (ca, pca) 9. Nebraska (ca) 10. Nevada (cic, ch) 11. New Mexico (ca) 12. Pennsylvania (ca, pca, coop) 13. Virginia (ca) 14. Vermont (cic) 15. Washington (ca) 16. West Virginia (cic) 17. Wisconsin (ca)		1. Kentucky (ca) 2. Maine (ca) 3. Ohio (ca)	1. Colorado (cic) 2. Louisiana (hoa) 3. New Hampshire (ca) 4. New York (ca) 5. Oregon (ca, pca) 6. Rhode Island (ca) 7. Tennessee (ca)	1. Maryland (ca, hoa)

Georgia (ca): The recording of the declaration pursuant to this article shall constitute record notice of the existence of the lien, and no further recordation of any claim of lien for assessments shall be required. Ga. Code. § 44-3-109 (Article 3. Condominiums, Lien for assessments).

Minnesota (cic): Recording of the declaration constitutes record notice and perfection of any assessment lien under this section, and no further recording of any notice of or claim for the lien is required.

Abbreviations:
Condominium associations (ca)
Planned community associations (pca)
Common interest communities (cic)
Cooperative communities (coop)

LATE TESTIMONY

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Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 10:57 AM

To: CPCtestimony

Cc: rltaylor50@comcast.net

Categories: Red Category

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Richard L Taylor
Organization: Individual
E-mail: rltaylor50@comcast.net
Submitted on: 3/12/2012

Comments:
Please do not limit Hawaii Home owners' associations the ability to collect dues for individuals who decide not to pay their fees, for whatever reasons. It would be very difficult to maintain strong financial associations and unfairly penalize those of us who are current on our fees and accept our responsibilities as owners. In other words, we wind up paying for those who don't accept the responsibility of their decisions to buy property in areas where there are associations. Thank you for your suupport in defeating this bill.

LATE TESTIMONY

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March 13, 2012

Sent via email to:

Representative Robert N. Herkes, Chair (repherkes@Capitol.hawaii.gov)
Representative Ryan J. Yamane, Vice Chair (repyamane@Capitol.hawaii.gov)
House Committee on Consumer Protection and Commerce

Representative Gilbert S.C. Keith-Agaran, Chair (repkeithagaran@Capitol.hawaii.gov)
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House Committee on Judiciary

RE: Opposition to Select Provisions in S.B. No. 2429, S.D.1 Affecting Condominium Associations

Dear Chairmen Herkes & Keith-Agaran and Vice Chairmen Yamane & Rhoads:

The undersigned is an attorney representing over 90 condominium and community associations in the State of Hawaii and presents this testimony regarding S.B. No. 2429, S.D.1.

I am concerned regarding the limitation on liens found in Part II, Section 2 (page 4); Part III, Section 11 (page 70); and Part III, Section 12 (page 75) of the Bill.

The language that provides that a lien recorded by a planned community association or condominium association shall expire two years from the date of recordation is an extremely harmful provision to associations and consumers and must be stricken for a number of reasons, including, without limitation:

1. **Protection of Automatic Liens for Condominium Associations**

Condominium associations have had automatic statutory liens for almost 50 years and a number of planned community associations have had automatic liens by virtue of their governing documents for even longer. Such automatic liens protect associations from owners selling their units or lots without paying delinquent assessments. S.B. No. 2429, S.D.1 will take away this vitally important legal right without a compelling reason. While the proponents of this bill may argue that the proposed language refers only to "recorded" liens, it will have the effect of destroying the automatic lien because the provision would be meaningless if the expiration of the written lien does not also destroy the automatic lien. **Solution:** It is requested a provision be added making it clear that the automatic lien will not be affected by the expiration of the recorded lien. There should be no reasonable objection to adding a provision of this nature because the proponents of the two-year lien provision assert that it will not affect the automatic lien.

2. **Lien Renewal**

As this Senate companion Bill is drafted, the lien will expire in two years without any opportunity to renew it. (The House companion Bill HB 1875 HD1 does permit a renewal of the lien.) This means that an association could spend thousands of dollars in foreclosing a lien only to find the lien extinguished in the middle of the

LATE TESTIMONY

foreclosure process because the process was delayed for reasons beyond the association's control. Foreclosure actions can be delayed for a number of reasons, such as problems in effectuating service, the filing of bankruptcies by delinquent owners, and the filing of appeals and/or motions filed by owners, lenders, and other parties to the action. In these instances, an association might not only lose its lien and right to foreclose, but it might also be required to pay the attorneys' fees and costs of the delinquent owner because the delinquent owner might be declared the "prevailing" party in the foreclosure proceeding and thus perhaps be entitled to an award of fees and costs against the association. **Solution:** It is requested the following revisions be made to the Bill to address this issue: (1) Add a provision allowing the association to extend the life of the lien by renewing --recording an updated lien, and (2) add a provision stating that the lien will not expire if proceedings have been initiated to enforce the lien.

3. **Planned Community Associations.**

Planned community associations often record liens to perfect their liens and/or to preserve lien priority, but seldom rush to foreclosure because the amounts at stake are low and don't justify incurring the expense of foreclosure. It is not uncommon for large planned community associations to have low assessments. For example, the Palehua Community Association's annual assessment is $70. We know of at least several others whose yearly assessments are in the low $400 range. If these associations are forced to proceed with foreclosure in time to complete the process before the expiration of two years, they will need to commence foreclosure proceedings before the debt is equal to $400. This means that many associations will be forced to incur thousands of dollars in attorneys' fees and costs to foreclose on debts of a few hundred dollars or less or risk losing their liens. **Solution:** Complete removal of the two-year lien provision from Chapter 421J is requested. Whatever good it may do consumers in condominium projects (which is sketchy, to say the least), it will not do in planned community associations under Chapter 421J where debt accrues very slowly.

4. **Exceptions to the Proposed Two Year Lien Language Are Needed.**

While my clients understand that the purpose of the two-year lien is to compel associations to act swiftly to collect assessments, it is not always necessary to foreclose to collect assessments. For example, if an owner is making payments under a payment plan or the association is collecting rent from the tenant of the delinquent owner, the association ought to be permitted to collect the outstanding balance in that fashion rather than be forced to foreclose. Additionally at times foreclosure proceedings cannot be quickly completed. For example, an owner might die during the course of the proceedings, it may be difficult to obtain service, and/or the owner may deliberately cause delays. SB No. 2429 currently makes no exception if these problems arise. Furthermore, if an owner files for bankruptcy, the association will be barred by the automatic stay from commencing a foreclosure proceeding. No exception is made for bankruptcies to the lien restrictions although many other

RISTOPHER SHEA GOODWIN
ATTORNEY AT LAW LLLC

LATE TESTIMONY

states do so. **Solution**: In order to remedy this potential unintended consequence, it is requested a provision be added that states that: 1) the recorded lien won't expire if the association has taken action to enforce the lien or collect the sums due; 2) define enforcement to include entering into a payment plan with an owner, sending a notice of default and intention to foreclose or taking any other action under chapter 667, filing a legal action to foreclose the recorded lien or for a monetary judgment for amounts due, demanding payment of rent from the tenant of the delinquent owner, and/or taking action to terminate utilities; and 3) if the owner of a unit subject to a recorded lien of the association files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the recorded lien should be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted as to the association's recorded lien as other states permit.

5. **Two Year Limitation is Too Short.**

The proposed two year lien is too short. As set forth in the supporting materials attached to the testimony of Anderson Lahne & Fujisaki LLP, regarding this Bill, of the 33 states that have adopted a limitation on the life of a lien only 5 states have limited the lien to two years or less. The remaining states have given the life of the lien more years (*e.g.*, 17 states have adopted a 3 year lien statute, 3 states have adopted a 5 year lien statute, 7 states have adopted a 6 year lien statute, and 1 state has adopted a 12 year lien statute). Also, keep in mind that 20 states, including California, have not limited liens at all. **Solution:** Although condominium associations generally prefer no time, limit on their lien, a fair compromise would be to increase the life of the lien to 6 years to coincide with the statute of limitations for the collection of debts. At the very least, the life of the lien should be no less than 3 years, as many lender foreclosures drag on for longer than 2 years.

Thank you for your consideration of this testimony and suggested solutions to the two-year lien provision contained in S.B. No, 2429, S.D. 2 which is opposed by a majority of the undersigned's condominium association clients.

Very truly yours,

Christopher Shea Goodwin

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 10:40 AM

To: CPCtestimony

Cc: acollins@lava.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Ann Collins
Organization: Individual
E-mail: acollins@lava.net
Submitted on: 3/12/2012

Comments:

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 10:47 AM

To: CPCtestimony

Cc: subodo@kahala.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Susan Doles
Organization: Individual
E-mail: subodo@kahala.net
Submitted on: 3/12/2012

Comments:
I agree with the testimony being submitted by
Anderson, Lahne and Fujisaki LLP.

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 9:56 AM

To: CPCtestimony

Cc: mickibob@hawaiiantel.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Micki Stash
Organization: Individual
E-mail: mickibob@hawaiiantel.net
Submitted on: 3/12/2012

Comments:
As Treasurer of a Hawaii condominium association, I oppose this Bill.

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 11:01 AM

To: CPCtestimony

Cc: carpenterd@hawaiiantel.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: Yes
Submitted by: Dante Carpenter
Organization: Country Club Village, AOAO
E-mail: carpenterd@hawaiiantel.net
Submitted on: 3/12/2012

Comments:
As president of the AOAO, known as Country Club Villlage, Phase 2, this is unfair legislation which removes the right of the AOAO to put a lien on Association Members who default against their fellow condominium owners, thereby requiring other members of the AOAO to pay their just and previously agreed upon assessments! Please refer to testimony submitted by Anderson Lahne & Fujisaki LLP who are our attorneys. Country Club Village, Phase 2, AOAO. 2 Hi-Rise 20 story condominiums located in Salt Lake Area. 469 2 & 3 BR Apartments.

This is both unjust and an affront to the members who pay their dues debts in a timely manner! They end up paying the defaulted amounts brought on by fellow homeowners!

Thank you for your consideration.

Dante Carpenter, President, CCV, Phase 2, AOAO

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 11:30 AM

To: CPCtestimony

Cc: hmessenheimer@earthlink.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Harry Messenheimer
Organization: Bayshore Towers Association of Apartment Owners
E-mail: hmessenheimer@earthlink.net
Submitted on: 3/12/2012

Comments:
Please be careful that you do interfere with our ability to foreclose a lien. We agree with the detailed testimony of Anderson Lahne and Fujisaki, LLP.

Harry Messenheimer, President of the board of directors, Bayshore Towers, Hilo

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 11:35 AM

To: CPCtestimony

Cc: Rayhonolulu@yahoo.coom

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Comments Only
Testifier will be present: No
Submitted by: raymond tremblay
Organization: Individual
E-mail: Rayhonolulu@yahoo.coom
Submitted on: 3/12/2012

Comments:
As a condo owner, I fully support the recommendations of Andersen,Lahne and Fujisaki LLP, especially Part 11, Sec.2, P.4 and Part 111, Sec 11, p.70 and Part 111, sec 12, p 75.

My condo was faced with a situation where one owner owed approx $50K in back association fees, was very knowledgeable with real estate law and manuvered her positions carefully to stall association actions and declared bankruptcy. 5 years of legal work allowed the association to collect these back fees. This proposed legislation would have significantly hindered and possibly prevented collection of these monies.
Myself and the remaining owners would have been responsible for making up the difference. Very Unfair.

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 11:52 AM

To: CPCtestimony

Cc: sheishells@yahoo.com

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Sheila Schiel
Organization: Individual
E-mail: sheishells@yahoo.com
Submitted on: 3/12/2012

Comments:
I agree with the testimony being presented today by attorneys Anderson, Fujisaki and Neeley of the lawfirm Anderson Lahne and Fujisaki.

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 12:28 PM

To: CPCtestimony

Cc: w.schoen@verizon.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: William R. Schoen
Organization: Waikiki Beach Tower Homeowners Association
E-mail: w.schoen@verizon.net
Submitted on: 3/12/2012

Comments:
Restricting the lien to 2 years does not make any sense. It just gives the non paying owner the right to stall so that he/she does not have to pay.

Many of the associations cannot afford to foreclose and take a position because the association is junior to the bank mortgage and most of the banks take over 2 years to foreclose.

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 12:32 PM

To: . CPCtestimony

Cc: w.schoen@verizon.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: William R. Schoen
Organization: Kuilima Estates East HOA
E-mail: w.schoen@verizon.net
Submitted on: 3/12/2012

Comments:
Please do not pass this bill as it will only make it tougher for any AOAO to collect the money that is due them. Many associations are struggling already and a 2 year lien will only make matters worse.

Thank you.

William R. Schoen - President Association of Apartment Owners of Kuilima Estates East Condominium

Testimony for SB2429 on 3/12/2012 2:10:00 PM

LATE TESTIMONY

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 12:50 PM

To: CPCtestimony

Cc: moorelm@hawaiiantel.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Lawrence M Moore Jr.
Organization: Makaha Valley Plantation
E-mail: moorelm@hawaiiantel.net
Submitted on: 3/12/2012

Comments:
I am in complete agreement with the testomony of Anderson Lahne and Fujisaki LLP. the only thing I would add is that if the liens were aloud to expire after two years, you would be forcing the rest of the home owners to absorb that loss and may very well force many of them into foreclosure. I belong to a condo assoc. and I can tell you that a lot of our members are close to the edge and we try to help wherever we can. thank you. Larry Moore

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Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 1:21 PM

To: CPCtestimony

Cc: smee@charter.net

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Debbie Smee
Organization: Individual
E-mail: smee@charter.net
Submitted on: 3/12/2012

Comments:
As a Director in a condo association I feel this is very unfair legislation. It will only serve those who are irresponsible and penalize the owners that pay their dues on time. Two years is not enough time. Thank you for reconsidering what the real outcome will be should this legislation pass.

LATE TESTIMONY

Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 1:02 PM

To: CPCtestimony

Cc: ajfadrowsky@aol.com

Attachments: Testimony_SB_2429.PDF (74 KB)

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: A. Joseph Fadrowsky
Organization: AOAO of Executive Centre
E-mail: ajfadrowsky@aol.com
Submitted on: 3/12/2012

Comments:
The AOAO of Executive Centre with over 500 units opposes this bill, and agrees with and supports the testimony of Anderson Lahne & Fujisaki LLP a copy of which is attached.

Mahalo for your consideration.

A. Joseph Fadrowsky, President, Board of Directors of the AOAO of Executive Centre

LATE TESTIMONY

ANDERSON LAHNE & FUJISAKI LLP
A Limited Liability Law Partnership

733 Bishop Street, Suite 2301
Honolulu, Hawai'i 96813
Telephone: (808) 536-8177
Facsimile: (808) 356-7635

Of Counsel:
Joyce Y. Neeley

M. Anne Anderson
Philip L. Lahne
Lance S. Fujisaki

Pamela J. Schell
Randall K. Sing
Jana M. Naruse
Jennifer B. Lyons
Mark W. Gibson

March 12, 2012

Sent via email to:
repherkes@Capitol.hawaii.gov
repyamane@Capitol.hawaii.gov
repkeithagaran@capitol.hawaii.gov
reprhoads@Capitol.hawaii.gov

Committee on Consumer Protection and Commerce

Representative Robert N. Herkes, Chair
Representative Ryan J. Yamane, Vice Chair

Committee on Judiciary

Representative Gilbert S.C. Keith-Agaran, Chair
Representative Karl Rhoads, Vice Chair

RE: S.B. No. 2429, S.D.2

Dear Representatives Herkes, Yamane, Keith-Agaran, and Rhoads:

Thank you for the opportunity to present testimony on S.B. No. 2429, S.D.2. Our comments are directed at the limitation on liens found in Part II, Section 2 (page 4); Part III, Section 11 (page 70); and Part III, Section 12 (page 75).

The language that provides that a lien recorded by a planned community association or condominium association shall expire two years from the date of recordation is an unnecessary and extremely harmful provision to associations and consumers and we believe that it should be stricken. However, as we understand that the legislators believe that this provision should remain, we urge you to revise the language to address the concerns below.

1. The Automatic Lien.

Problem: Condominium associations have had automatic statutory liens for almost 50 years and a number of planned community associations have had automatic liens by virtue of their governing documents for even longer. Such automatic liens protect associations from owners selling their units or lots without paying delinquent assessments. S.B. No. 2429, S.D.1 will take away this vitally important legal right without a compelling reason. While the proponents of this bill argue that the

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proposed language refers only to "recorded" liens, it will have the effect of destroying the automatic lien because the provision would be meaningless if the expiration of the written lien does not also destroy the automatic lien.

Solution: At the very least, a provision should be added making it clear that the automatic lien will not be affected by the expiration of the recorded lien. There should be no reasonable objection to adding a provision of this nature because the proponents of the two-year lien provision assert that it will not affect the automatic lien.

2. Renewal of Lien.

Problem: As this Senate companion Bill is drafted, the lien will expire in two years without any opportunity to renew it. (The House companion Bill HB 1875 HD1 does permit a renewal of the lien.) This means that an association could spend thousands of dollars in foreclosing a lien only to find the lien extinguished in the middle of the foreclosure process because the process was delayed for reasons beyond the association's control. Foreclosure actions can be delayed for a number of reasons, such as problems in effectuating service, the filing of bankruptcies by delinquent owners, and the filing of appeals and/or motions filed by owners, lenders, and other parties to the action. In these instances, an association might not only lose its lien and right to foreclose, but it might also be required to pay the attorneys' fees and costs of the delinquent owner because the delinquent owner might be declared the "prevailing" party in the foreclosure proceeding and thus perhaps be entitled to an award of fees and costs against the association.

Solution: (1) Add a provision allowing the association to extend the life of the lien by renewing -- recording an updated lien, and (2) add a provision stating that the lien will not expire if proceedings have been initiated to enforce the lien.

3. Planned Community Associations.

Problem: Planned community associations often record liens to perfect their liens and/or to preserve lien priority, but seldom rush to foreclosure because the amounts at stake are low and don't justify incurring the expense of foreclosure. It is not uncommon for large planned community associations to have low assessments. For example, the Palehua Community Association's annual assessment is $70. We know of at least several others whose yearly assessments are in the low $400 range. If these associations are forced to proceed with foreclosure in time to complete the process before the expiration of two years, they will need to commence foreclosure proceedings before the debt is equal to $400. This means that many associations will be forced to incur thousands of dollars in attorneys' fees and costs to foreclose on debts of a few hundred dollars or less or risk losing their liens.

LATE TESTIMONY

Solution: Remove the two-year lien provision from Chapter 421J altogether. Whatever good it may do consumers in condominium projects (which is sketchy, to say the least), it will not do in planned community associations under Chapter 421J where debt accrues very slowly.

4. Exceptions to the Two Year Lien Language Are Needed.

Problem: We understand that the purpose of the two-year lien is to compel associations to act swiftly to collect assessments. However, it is not always necessary to foreclose to collect assessments. For example, if an owner is making payments under a payment plan or the association is collecting rent from the tenant of the delinquent owner, the association ought to be permitted to collect the outstanding balance in that fashion rather than be forced to foreclose. Additionally at times foreclosure proceedings cannot be quickly completed. For example, an owner might die during the course of the proceedings, it may be difficult to obtain service, and/or the owner may deliberately cause delays. SB No. 2429 currently makes no exception if these problems arise. Furthermore, if an owner files for bankruptcy, the association will be barred by the automatic stay from commencing a foreclosure proceeding. No exception is made for bankruptcies to the lien restrictions although many other states do so.

Solution: Add a provision that states that: 1) the recorded lien won't expire if the association has taken action to enforce the lien or collect the sums due; 2) define enforcement to include entering into a payment plan with an owner, sending a notice of default and intention to foreclose or taking any other action under chapter 667, filing a legal action to foreclose the recorded lien or for a monetary judgment for amounts due, demanding payment of rent from the tenant of the delinquent owner, and/or taking action to terminate utilities; and 3) if the owner of a unit subject to a recorded lien of the association files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the recorded lien should be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted as to the association's recorded lien as other states permit.

5. Two Years is Too Short.

Problem: The two year lien is too short. Of the 33 states that have adopted a limitation on the life of a lien, (see chart attached) only 5 states have limited the lien to two years or less. The remaining states have given the life of the lien more years (*e.g.*, 17 states have adopted a 3 year lien statute, 3 states have adopted a 5 year lien statute, 7 states have adopted a 6 year lien statute, and 1 state has adopted a 12 year lien statute). Also, keep in mind that 20 states, including California, have not limited liens at all.

Solution: Increase the life of the lien to 6 years to coincide with the statute of limitations for the collection of debts. At the very least, the life of the lien should be no less than 3 years.

LATE TESTIMONY

Thank you for your consideration of our testimony and suggested solutions to the two-year lien provision found in S.B. No, 2429, S.D. 2.

Sincerely,

M. Anne Anderson

Philip L. Lahne

Lance S. Fujisaki

Joyce Y. Neeley

Attached: Chart Showing Other State Legislation.

1	2	3	4	5	6	12
1. Florida (ca)* *One year & automatic extension from bankruptcy filing.	1. Idaho (ca, hoa)* 2. Mississippi (ca)* 3. Nevada (ca)* 4. Minnesota (ca)* * One year lien with right to renew for one more year.	1. Alabama (ca) 2. Alaska (cic) 3. Arizona (ca) 4. Connecticut (cic) 5. District of Colombia (ca) 6. Delaware (cic) 7. Missouri (ca) 8. North Carolina (ca, pca) 9. Nebraska (ca) 10. Nevada (cic, ch) 11. New Mexico (ca) 12. Pennsylvania (ca, pca, coop) 13. Virginia (ca) 14. Vermont (cic) 15. Washington (ca) 16. West Virginia (cic) 17. Wisconsin (ca)		1. Kentucky (ca) 2. Maine (ca) 3. Ohio (ca)	1. Colorado (cic) 2. Louisiana (hoa) 3. New Hampshire (ca) 4. New York (ca) 5. Oregon (ca, pca) 6. Rhode Island (ca) 7. Tennessee (ca)	1. Maryland (ca, hoa)

Georgia (ca): The recording of the declaration pursuant to this article shall constitute record notice of the existence of the lien, and no further recordation of any claim of lien for assessments shall be required. Ga. Code. § 44-3-109 (Article 3. Condominiums, Lien for assessments).

Minnesota (cic): Recording of the declaration constitutes record notice and perfection of any assessment lien under this section, and no further recording of any notice of or claim for the lien is required.

Abbreviations:
Condominium associations (ca)
Planned community associations (pca)
Common interest communities (cic)
Cooperative communities (coop)

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Testimony for SB2429 on 3/12/2012 2:10:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 1:39 PM

To: CPCtestimony

Cc: Sheryl@SoldOnParadise.com

Attachments: Testimony SB 2429.PDF (75 KB)

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Sheryl Eddy
Organization: Maui Banyan AOAO President
E-mail: Sheryl@SoldOnParadise.com
Submitted on: 3/12/2012

Comments:
I agree and support the testimony of Anderson Lahne & Fujisaki LLP a copy of which is attached.

Testimony for SB2429 on 3/12/2012 2:10:00 PM

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mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 1:40 PM

To: CPCtestimony

Cc: s.shenkus@festivalcos.com

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: helene "sam" shenkus
Organization: Individual
E-mail: s.shenkus@festivalcos.com
Submitted on: 3/12/2012

Comments:
Aloha I am the President of the Marco Polo AOAO and very distressed with language in this bill that will require all associations to immediately proceed with foreclosure upon recording a lien to ensure that the foreclosure process can be completed in 2 years. An association could spend thousands of dollars in foreclosing a lien only to find the lien extinguished in the middle of the foreclosure process because the delinquent owner was successful in causing delays. The only persons who will benefit from the two-year limitation on liens will be attorneys representing associations in their collection matters and delinquent owners who are able to stall.
Please do not take away the condo associations automatic liens. Please do not pass a 2 year limitation on liens that will create a major legal expense for associations.
Thank You
Helene "Sam" Shenkus
Marco Polo AOAO President

Testimony for SB2429 on 3/12/2012 2:10:00 PM

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mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Monday, March 12, 2012 1:49 PM

To: CPCtestimony

Cc: JRPankratz@aol.com

Attachments: TestimonySB2429.pdf (74 KB)

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB2429

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: John R. Jack Pankratz
Organization: AOAO Shores at Waikoloa
E-mail: JRPankratz@aol.com
Submitted on: 3/12/2012

Comments:
I agree and support the testimony of Anderson, Lahne, and Fugisaki LLP -a copy of which is attached.
John R. Pankratz - President
AOAO Shores at Waikoloa