STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 0 2017

RE: S.B. No. 369 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 369 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit associations of apartment owners, boards of directors, managing agents, resident managers, and condominium owners from retaliating or discriminating against a condominium owner 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.

Your Committee received testimony in support of this measure from the Hawaii Council of Associations of Apartment Owners, Hui 'Oia 'i 'o, Mauna Luan, and six individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that although many condominium owners are comfortable raising condominium-related complaints or concerns to their association, its board, a managing agent, or a resident manager, this experience is not universal. Condominium owners who are not comfortable bringing up complaints or concerns may fail to do so because of a fear of retaliation. Accordingly, this measure strengthens protections for condominium owners by prohibiting condominium associations, boards, managing agents, resident managers, and other owners from retaliating or discriminating



against a condominium owner who files a complaint, acts in furtherance of a complaint, report, or investigation of an alleged violation, or exercises or attempts to exercise any right as a condominium owner.

Your Committee has amended this measure by:

- Extending the protections against retaliation to board members and employees of an association of apartment owners;
- (2) Inserting a definition of "retaliation";
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 369, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 369, S.D. 1, and be referred to your Committee on Judiciary and Labor.

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

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ROSALYN H. BAKER, Chai



The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral: Date:				
SB 369	P	H, JI		1/31/17	
The Committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
NISHIHARA, Clarence K. (VC)		/			
CHANG, Stanley		/			
ESPERO, Will		1			
IHARA, Jr., Les		- <u> </u>			/
KIDANI, Michelle N.					1
RUDERMAN, Russell E.					/
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TOTAL		4			3
Recommendation:					
Chair's or Designee's Signature: Clarence & mishihere					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes