

STAND. COM. REP. NO.

158

Honolulu, Hawaii

FEB 08 , 2023

RE: H.B. No. 381  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 381  
entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to repeal the sunset date of  
Act 196, Session Laws of Hawaii 2018, which allowed for voluntary  
binding arbitration for condominium-related disputes and amended  
the conditions for mediation.

Your Committee received testimony in support of this measure  
from the Real Estate Commission; Hawaii Council of Associations of  
Apartment Owners; Legislative Action Committee of the Community  
Associations Institute, Hawaii Chapter; and three individuals.  
Your Committee received testimony in opposition to this measure  
from Kokua Council and three individuals. Your Committee received  
comments on this measure from one individual.

Your Committee finds that subsidizing the expense of  
arbitrations incentivizes parties to voluntarily choose binding  
arbitration of condominium-related disputes. Act 196, Session  
Laws of Hawaii 2018 (Act 196), which provides condominium owners  
and associations additional remedies to address and resolve  
condominium-related disputes without having to resort to  
litigation, has successfully encouraged the use of alternative

2023-1267 HB381 HD1 HSCR HMSO



dispute resolution as a valuable self-governance tool. Your Committee therefore believes that the success of Act 196 merits making it permanent.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 30, 2030, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 381, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 381, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Housing,



TROY N. HASHIMOTO, Chair



