

Testimony of the Real Estate Commission

**Before the
House Committee on Finance
Monday, June 29, 2020
2:00 p.m.
State Capitol, Conference Room 329**

**On the following measure:
S.B. 2425, S.D. 1, RELATING TO CONDOMINIUMS**

WRITTEN TESTIMONY ONLY

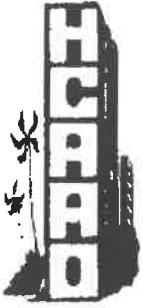
Chair Luke and Members of the Committee:

My name is Michael Pang, and I am the Chairperson of the Hawaii Real Estate Commission (Commission). The Commission supports this bill.

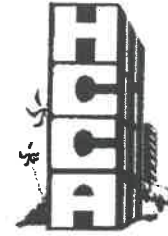
The purpose of this bill is to repeal the sunset provision of Act 196, Session Laws of Hawaii 2018, to make permanent the amendments to Hawaii Revised Statutes (HRS) sections 514B-71(a) (Condominium education trust fund), 514B-72(a) (Condominium education trust fund; payments by associations and developers), and 514B-161 (Mediation). The Commission also notes that this bill repeals the sunset provision for HRS section 514B-162.5 (Voluntary binding arbitration), which is currently in effect.

The Commission supports mediation and voluntary binding arbitration and encourages the use of alternative dispute resolution for condominium-related disputes as a valuable self-governance tool.

Thank you for the opportunity to testify on this bill.



**Hawaii Council of Associations
of Apartment Owners**
DBA: Hawaii Council of Community Associations
1050 Bishop Street, #366, Honolulu, Hawaii 96813



June 27, 2020

Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice-Chair
House Committee on Finance

Re: Testimony in support of
SB2425 SD1 RELATING TO CONDOMINIUMS
Hearing: Monday, June 29, 2020, 2 p.m., Conf. Rm. #329

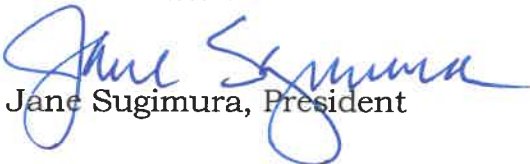
Chair Luke and Vice-Chair Cullen and Members of the Committee:

I am Jane Sugimura, President of the Hawaii Council of Associations of Apartment Owners (HCAAO dba HCCA).

HCCA supports this bill for the following reasons:

- HCCA strongly supported passage of HB1874 HD1SD2 CD1, which was enacted as Act 196 on July 10, 2018, which expanded mediation and arbitration remedies available to and for condominium associations, their owners, Board members and managing agents.
- As a result of the passage of Act 196, associations have had (i) additional remedies to address dispute resolution between and among unit owners, board members and their managing agents and (ii) access to the condo-education fund to subsidize those remedies.
- The Act has been in effect for more than 1 year and HCCA has not heard concerns relating to its implement or enforcement.

For these reasons, HCCA believes that the sunset provision that will become effective on 6/30/2023 in the bill is unnecessary and should be removed. Accordingly, HCCA respectfully requests that you pass out this bill. Thank you for the opportunity to testify on this matter.


Jane Sugimura, President

SB-2425-SD-1

Submitted on: 6/27/2020 5:47:59 PM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch, Sr.	Palehua Townhouse Association	Support	No

Comments:

We strongly support SB2425. This needs to be a permanent part of the law. Please pass SB2425. Thank you.

Mike Golojuch, Sr.

President, Palehua Townhouse Association

SB-2425-SD-1

Submitted on: 6/27/2020 8:34:08 AM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Emery	Associa	Support	No

Comments:

This Bill deletes the sunset provisions of Act 196 that have proved to be effective. The sunset provisions should be deleted.

SB-2425-SD-1

Submitted on: 6/27/2020 2:16:04 PM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandie Wong	Individual	Support	No

Comments:

As a condo owner and resident, I support SB2425, SD1. Thank you.

SB-2425-SD-1

Submitted on: 6/27/2020 6:27:18 PM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
R Laree McGuire	Individual	Support	No

Comments:

From: [Jasmine Shinn](#)
To: [FINtestimony](#)
Subject: SUPPORT FOR SB2425
Date: Saturday, June 27, 2020 6:40:36 PM

Chair Luke, Vice Chair Cullen, and Members of the Committee,

I **SUPPORT** SB 2425 SD1 relating to CONDOMINIUMS.

While there are additional improvements to the Mediation & Arbitration process that still need to be improved upon, the current Bill is an improvement over the previous process.

Hawai'i has more successful lawsuits against Board Members than any state in the nation. With **no due process** built into Condominium self-governance, Mediation and Arbitration can be the only time that an Owner even has the chance to tell their side of the story. Encouraging Boards to talk to Owner's in Alternate Dispute Resolution settings will at a minimum assist the resolution of disagreements without the unproportionate financial and time burden upon the Owner of filing a lawsuit in the hopes of having any type of due process.

Thank you for the opportunity to testify.

Jasmine Shinn

SB-2425-SD-1

Submitted on: 6/28/2020 1:40:52 PM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Sadino	Individual	Support	No

Comments:

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Thank you for the opportunity to testify.

Jeff Sadino

From: [Naomi Tanizaki](#)
To: [FINtestimony](#)
Subject: SUPPORT for SB2425
Date: Sunday, June 28, 2020 3:04:56 PM

Naomi Hokama
"Individual"
House FINANCE
6/29/20 2:00 PM
SB2425

Chair Luke, Vice Chair Cullen, and Members of the Committee,

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Thank you for the opportunity to testify.

Naomi Hokama

HAWAII LEGISLATIVE
ACTION COMMITTEE


community
ASSOCIATIONS INSTITUTE

P.O. Box 976
Honolulu, Hawaii 96808

Representative Sylvia Luke
Representative Ty Cullen
415 South Beretania Street
Honolulu, Hawaii 96813

LATE

Re: SB 2425 SD1 SUPPORT

Dear Chair Luke, Vice Chair Cullen and Committee Members:

The Community Associations Institute ("CAI") supports SB 2425 SD1. Alternative dispute resolution is an important tool for maintaining productive and well-functioning condominium associations.

Support for the mediation, and the voluntary arbitration of, condominium related disputes has been facilitated by the enactments that SB 2425 SD1 will keep in effect. It is appropriate to maintain those enactments on a permanent basis.

CAI respectfully requests the Committee to pass SB 2425 SD1.

Very truly yours,

Philip Nerney

Philip Nerney

From: [Yuri Kim](#)
To: [FINtestimony](#)
Subject: SUPPORT for SB2425
Date: Monday, June 29, 2020 1:58:59 AM

Yuri Kim
House FINANCE
[6/29/20 2:00 PM](#)
SB2425

Chair Luke, Vice Chair Cullen, and Members of the Committee,

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Thank you for the opportunity to testify.

LATE

SB-2425-SD-1

Submitted on: 6/28/2020 9:50:31 PM

Testimony for FIN on 6/29/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Raelene Tenno	Individual	Support	No

Comments: