

Testimony of the Real Estate Commission

**Before the
Senate Committee on Commerce, Consumer Protection, and Health
Tuesday, February 11, 2020
9:00 a.m.
State Capitol, Conference Room 229**

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

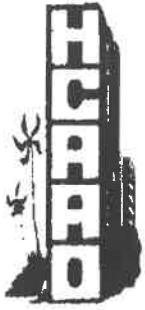
Chair Baker and Members of the Committee:

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

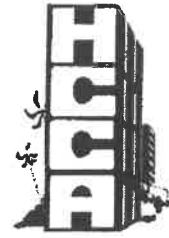
The purpose of this bill is to repeal the sunset provision of Act 196, Session Laws of Hawaii 2018, to make permanent the amendments to Hawaii Revised Statutes (HRS) sections 514B-71(a) (Condominium education trust fund), 514B-72(a) (Condominium education trust fund; payments by associations and developers), 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



February 9, 2020

Sen. Rosalyn Baker, Chair
Sen. Stanley Chang, Vice-Chair
Senate Committee on Commerce, Consumer Protection & Health

Re: Testimony in support of
SB2425 RELATING TO CONDOMINIUMS
Hearing: Tuesday, Feb. 11, 2020, 9 a.m., Conf. Rm. #229

Chair Baker and Vice-Chair Chang 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, which was enacted as Act 196, which expended the scope of the Condo-Ed Fund to cover voluntary binding arbitration and expanded the parties who could participate in mediation under HRS 514B-161 and provided enforcement remedies to compel mediation.
- The Act has been in effect for more than 1 year and HCCA has not heard of concerns relating to its implement or enforcement.

For these reasons, HCCA believes that the sunset provision 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



P.O. Box 976
Honolulu, Hawaii 96808

February 10, 2020

Chair Rosalyn H. Baker
Vice Chair Stanley Chang
Committee on Commerce, Consumer Protection, and Health
415 South Beretania Street
Honolulu, Hawaii 96813

Re: SB 2425 SUPPORT

Dear Chair Baker, Vice-Chair Chang and Committee Members:

The Community Associations Institute ("CAI") supports SB 2425. 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 will keep in effect. It is appropriate to maintain those enactments on a permanent basis.

CAI respectfully requests the Committee to pass SB 2425.

Very truly yours,

Philip Nerney

Philip Nerney

SB-2425

Submitted on: 2/8/2020 10:49:21 AM

Testimony for CPH on 2/11/2020 9:00:00 AM

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

Comments:

The amendments should continue in full force and not sunset.

SB-2425

Submitted on: 2/8/2020 7:07:18 PM

Testimony for CPH on 2/11/2020 9:00:00 AM

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

Comments:

SB-2425

Submitted on: 2/9/2020 12:31:00 PM

Testimony for CPH on 2/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Naomi Hokama	Individual	Support	No

Comments:

Chair Baker, Vice Chair Chang and members of the Committee,

I **SUPPORT SB2425** relating to CONDOMINIUM ASSOCIATIONS and the repeal of the sunset clause to Act 196.

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 has the chance to tell their side of the story. Encouraging Boards to talk to Owner's will prevent lawsuits from happening and will more effectively protect the basic rights of Owners.

Thank you for the opportunity to testify.

SB-2425

Submitted on: 2/9/2020 10:54:03 AM

Testimony for CPH on 2/11/2020 9:00:00 AM

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

Comments:

Chair Baker, Vice Chair Chang and members of the Committee,

I **SUPPORT SB2425** relating to CONDOMINIUM ASSOCIATIONS and the repeal of the sunset clause to Act 196.

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Thank you for the opportunity to testify,

Jeff Sadino

SB-2425

Submitted on: 2/10/2020 1:22:27 AM

Testimony for CPH on 2/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Yuri Kim	Individual	Support	No

Comments:

Chair Baker, Vice Chair Chang and members of the Committee,

I **SUPPORT SB2425** relating to CONDOMINIUM ASSOCIATIONS and the repeal of the sunset clause to Act 196.

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Thank you for the opportunity to testify.

SB-2425

Submitted on: 2/10/2020 1:40:25 AM

Testimony for CPH on 2/11/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Aaron Fong	Individual	Support	No

Comments:

Chair Baker, Vice Chair Chang and members of the Committee,

I SUPPORT SB2425 relating to CONDOMINIUM ASSOCIATIONS and the repeal of the sunset clause to Act 196.

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 has the chance to tell their side of the story. Encouraging Boards to talk to Owners will prevent lawsuits from happening and will more effectively protect the basic rights of Owners.

Thank you for the opportunity to testify.

From: [Jasmine](#)
To: [CPH Testimony](#)
Subject: Support for SB 2425 relating to condominium associations
Date: Sunday, February 9, 2020 4:21:18 PM

Chair Baker, Vice Chair Chang and members of the Committee,

I **SUPPORT SB2425** relating to CONDOMINIUM ASSOCIATIONS and the repeal of the sunset clause to Act 196.

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 has the chance to tell their side of the story. Encouraging Boards to talk to Owner's will prevent lawsuits from happening and will more effectively protect the basic rights of Owners.

Thank you for the opportunity to testify.

COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

Testimony Regarding SB 2425

DATE: Tuesday, February 11, 2020
TIME: 9:00 AM
PLACE: Conference Room 229

John Morris
(808) 523 0702

Chair Baker and Members of the Committees,

I work as an attorney representing condominiums and other homeowner associations and I am testifying in support of SB 2425.

Act 196 (SLH 2018) made changes to the law that made mediation of condominium disputes more effective and more widely used. Since many condominium disputes can be resolved through mediation, making the changes created by act 196 permanent is worthwhile.

Thank you for this opportunity to testify.

John Morris