

STAND. COM. REP. NO.

259

Honolulu, Hawaii

February 12, 2019

RE: H.B. No. 61  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 61 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to clarify the allocation of payments made in excess of common expenses owed by condominium associations.

The Hawaii Legislative Action Committee of the Community Associations Institute, Hawaii Council of Associations of Apartment Owners, Law Offices of Mark K. McKellar, LLC, and several individuals testified in support of this measure. One individual testified in opposition.

Your Committee has amended this measure by:

- (1) Allowing a condominium board of directors to determine the manner of application for amounts in excess of common expenses owed as long as the board has adopted a written application of payment policy rather than statutorily mandating the priority of payments;
- (2) Specifying that fines, legal fees, late fees, and interest shall be of last priority;

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- (3) Changing its effective date to July 1, 2050, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 61, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 61, H.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,

*R. Takumi*

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ROY M. TAKUMI, Chair



State of Hawaii  
House of Representatives  
The THIRTIETH Legislature

HSCR 259

**Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.: <b>HB 61</b>	Committee Referral: <b>CPC, JUD</b>	Date: <b>2/5/19</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold ... <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.				✓
4. BELATTI, Della Au	✓			
5. CABANILLA ARAKAWA, Rida	✓			
6. CACHOLA, Romy M.	✓			
7. HAR, Sharon E.	✓			
8. KONG, Sam Satoru	✓			
9. MIZUNO, John M.	✓			
10. ONISHI, Richard H.K.	✓			
11. MATSUMOTO, Lauren	✓			
<b>TOTAL (11)</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
<b>Vice Chair's or designee's signature:</b> <i>Rida Cabanilla Arakawa</i>				
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