



January 27, 2014

VIA WEB TRANSMITTAL

Committee on Consumer Protection and Commerce
& Committee on Judiciary
House of Representatives, the 27th Legislature
Regular Session of 2014

Re: Testimony in Support of HB 2045

Dear Chair McKelvey, Vice Chair Kawakami, Chair Rhoas, and Vice Chair Har and Committee members:

I am the Vice Chair of the Community Associations Legislative Action Committee ("CAI"). CAI supports HB 2045 for the following reasons:

First, the Planned Community Associations ("PCAs") will benefit a lot from HB 2045. Many PCAs, especially master associations, underwent the problems identified by the legislature, including but not limited to (a) PCAs did not receive timely notice of the sale transaction of certain unit or lot; (b) PCAs were unable to collect delinquent association dues during the closing for such sale; and (c) PCAs had great difficulty in collecting against prior owners for such unpaid dues when prior owners had moved to the mainland or when they were in bad financial shape. HB 2045 will provide effective solutions to the above stated problems.

Second, HB 2045 clarifies the responsibilities of existing owners, buyers, escrow officers, and the PCA and/or the PCA's agent as to collection of association dues owed by existing owners in a voluntary conveyance of a unit or lot subject to the PCA. It will help reduce disputes and litigation among PCAs, escrow companies, prior owners and new owners in situations where PCAs' unpaid dues are mistakenly omitted in escrow closings. The right to obtain a statement on delinquency from PCAs and the limitation on liability to the amounts specified in such statement as set forth in HB 2045 are fair to homeowners.


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Third, HB 2045 will provide PCAs the same rights and protections in voluntary sales of homes or lots that condominium associations currently enjoy with the voluntary sale of condominium units under HRS § 514B-144(f), i.e., associations' outstanding assessments are paid and not missed or forgotten.

Last but not the least, HB 2045 will prevent certain homeowners from avoiding the payment for debt owed to PCAs by voluntarily transferring their units or lots to trusts or companies controlled by themselves or family members.

CAI represents the association industry, and supports the passage of HB 2045.
Thank you!

Sincerely yours,

A handwritten signature in cursive script that reads "Na Lan".

Na Lan

kawakami3-Benigno

From: mailinglist@capitol.hawaii.gov
Sent: Monday, January 27, 2014 2:03 PM
To: CPCtestimony
Cc: alan@associahawaii.com
Subject: Submitted testimony for HB2045 on Jan 29, 2014 14:10PM

HB2045

Submitted on: 1/27/2014

Testimony for CPC on Jan 29, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Takumi	Individual	Support	No

Comments: I am a community association manager and advise many association boards on how to manage their associations and this bill will provide greater clarity on everyone's responsibilities upon changing ownership of their units.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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kawakami3-Benigno

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, January 28, 2014 10:33 AM
To: CPCtestimony
Cc: twalkey@clearwire.net
Subject: *Submitted testimony for HB2045 on Jan 29, 2014 14:10PM*

HB2045

Submitted on: 1/28/2014

Testimony for CPC on Jan 29, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Walkey	Individual	Support	No

Comments:

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