Bills Committee on Property Management Services Bill

List of follow-up actions arising from the discussion at the meeting on 9 February 2015

- 1. Members noted that at present, property owners and owners' corporations ("OC") might file their cases of building management disputes to the Lands Tribunal for adjudication. Concern was raised that although property owners could file their case to the Lands Tribunal if they held the view that the election of OC was in contravention of the Building Management Ordinance (Cap. 344), the certificate of registration of OC might be issued before their case could be heard by the Lands Tribunal. The Administration was requested to provide detailed information or statistics about (a) the adjudication processes involved for a building management dispute case heard and ruled by the Lands Tribunal; (b) the average waiting time for such cases heard by the Lands Tribunal; and (c) the average legal costs borne by the relevant property owners in building management disputes which had been adjudicated through the Lands Tribunal.
- 2. In respect of Clause 10(1)(a) which provided that an application for the renewal of a licence must be made to the Property Management Services Authority ("PMSA") within two months before the expiry of the licence, there was a suggestion that to facilitate licensees in maintaining business viability and stability, consideration should be given to extending the two-month period for application for renewal of licences to say, six months. The Administration was requested to consider the suggestion and provide a written response.
- 3. An query was raised on why the word "must", instead of "may", was used in Clause 10(2) about the application for the renewal of licences. There was a view that the word "must" would be too restrictive for PMSA to exercise its discretion in the renewal of a PMC or PMP license. The Administration was requested to consider this view and provide a written response.
- 4. The Administration was also requested to provide clarification in writing on the following situations concerning the applicability of Clause 10 raised by the Legal Adviser to the Bills Committee -
 - (a) in the event that a licence expired before an application for renewal was decided by PMSA, whether it should be provided in the Bill that any licence which would expire prior to PMSA's determination of an application for renewal should, unless such application was withdrawn, or the licence was revoked or suspended, remain in

force until PMSA's determination of the application;

- (b) whether Clause (10)(1) and (2), as presently drafted, would give PMSA the discretion to accept applications which were made after the expiry of the relevant licence for renewal of licences; and
- (c) Clause 10(7) provided that if PMSA decided not to renew a licence, it must, by notice in writing given to the applicant within 21 days beginning on the date on which the decision was made, notify the applicant of the decision and give reasons for the decision. Given the significant impact of non-renewal of a licence on a PMC and its existing clients, whether it should be provided in the Bill that the licensee should keep its clients informed of PMSA's decision immediately after it came to notice of such decision. If the two-month period in Clause 10(1)(a) for application for renewal of licences was to be extended, whether the 21 days' requisite notice would be adjusted accordingly so that the clients of the PMC concerned would have sufficient time to engage another licensed PMC.

Council Business Division 2 <u>Legislative Council Secretariat</u> 24 February 2015