

<u>SB507</u> Submitted on: 1/31/2013 Testimony for CPN on Feb 1, 2013 08:30AM in Conference Room 229

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------|--------------|--------------------|-----------------------|
| Eric Matsumoto | Individual | Oppose | No |

Comments: The provisions of this bill have been proposed over and over again for a number of years and have the same flaws: 1(a)(1): By-laws contain specific timelines for association meetings (annual, special)that require at least 30 days, as a norm, for the members to receive the information, proxies, etc. study, respond and prepare for the meeting. This bill allows further disadvantage to the members by reducing the time to 14 days. So, why the need? As for the monthly board meetings the 14 day minimum notice is impractical, ineffective and inefficient, and suicidal for PCAs because when disaster strikes, and unbudgeted funds are needed for repairs, mitigation, etc. and the occurrance leaves less than the 14 days before a board meeting, this bill would prevent action by the board and thus negatively affect the members and the association having to wait for a special board meeting delayed another two weeks. 2(a)(2): PCAs have varying populations from a high of 15,850 to 24 or so members. Now, take a PCA with 15,850 members or one with 7,500 members or even 3,000 members, can you calculate the cost these large PCAs and its members would incur if you mailed the documents, or can you be sure that everyone has access to electronic means for either e-mail or the web and will have read the e-mail/web notice, or that everyone will have read the bulletin board posting? These might work in small PCAs where you have small numbers for mailing, hand carrying or possibly closed circuit TV, etc., but you just made it imposssible for large PCAs to comply, and the larger question is what if they can't do it, or the residents refuse to pay for the enormous costs for compliance and verification? What is the penalty? You may have the metric, but how do you enforce? Doesn't make sense, does it for a one size fits all set of provisions? 3(b): As a matter of information, the governing documents that include amendments to by-laws, as this sub-para covers, have specific nortice requirements for taking up amendments at associatin meetings. Allowing for amendments to by-laws or the gverening documents to be added for action at a meeting is ludicrious. The specific number of days for notice of amendments, nmormaly provided for is 30 days, to give members time and opportunity to review the changes and prepare for the meeting. The provisions proposed in this bill reflects a severe lack of understanding of: the rationale for the provisions contianed in by-laws for conduct of association business, functioning of PCAs, the demographics of PCAs across the state, and how 421J was revised over the years. It is also evident that this bill, as a resubmission of past years, is a problem of what appears to be a single association unable to resolve its own internal dispute, attempting to get their problem resolved externally, that would negatively affect all the other PCAs across the state, regardless of size and the impact on each of them, and reflects why PCAs should not be micromanaged, especially with a one size fits all proposition. Strongly recommend this bill be held.