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**PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
REGULATED INDUSTRIES COMPLAINTS OFFICE**

**TO THE HOUSE COMMITTEE
ON
CONSUMER PROTECTION AND COMMERCE**

**TWENTY-EIGHTH STATE LEGISLATURE
REGULAR SESSION, 2016**

**WEDNESDAY, FEBRUARY 10, 2016
2:10 P.M.**

**TESTIMONY ON HOUSE BILL NO. 2512
RELATING TO CONDOMINIUM ASSOCIATIONS**

**TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND TO THE HONORABLE JUSTIN H. WOODSON, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:**

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on House Bill No. 2512, Relating to Condominium Associations. My name is Daria Loy-Goto and I am the Complaints and Enforcement Officer for the Department's Regulated Industries Complaints Office ("RICO"). RICO offers the following comments on the bill.

House Bill No. 2512 adds two new sections to Chapters 514A and 514B, Hawaii Revised Statutes ("HRS"), to 1) require a board member of an association to disclose substantial financial interests in writing before taking any action directly

affecting the association and a third-party provider; and 2) prohibit a board member from accepting, receiving, or soliciting any gift from a third-party provider that can reasonably be inferred to influence or reward the board member. The bill also expands the jurisdiction of the Real Estate Commission ("Commission") to include oversight and enforcement of the new sections.

While RICO acknowledges that House Bill No. 2512 is intended to address concerns about the conduct of association board members, RICO notes that condominium law is grounded on the principle of self-governance. To this extent, RICO suggests that the Committee consider placing the new language in §514B-107, HRS, rather than creating two new sections. Section 514B-107, HRS, identifies certain limitations on board members in the performance of their duties, including a prohibition on using association funds for travel without approval by a majority of owners. Since House Bill No. 2512 similarly restricts a board member's conduct, RICO believes the new language would fit more appropriately in and would be more consistent with §514B-107, HRS.

Thank you for the opportunity to testify on House Bill No. 2512. I will be happy to answer any questions the Committee may have.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 09, 2016 10:53 AM
To: CPCtestimony
Cc: richard.emery@associa.us
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

HB2512

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Richard Emery | Associa | Oppose | Yes |

Comments: Current laws already adequately require disclosure of a conflict of interest. There is no factual evidence that this is a problem in associations. The board makes decisions on behalf of the owners and such disclosure is to the board and required in the minutes currently. To mandate notification to all owners is cost prohibitive. We OPPOSE HB 2512.

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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From: John Brewer <johnb@hawaiianprop.com>
Sent: Monday, February 08, 2016 1:08 PM
To: CPCtestimony
Cc: Rep. Angus McKelvey
Subject: Legislative Bill HB2512: OPPOSED Hearing Wednesday, February 10, 2016

Aloha,

HB2512 sounds good, but, it seems to go beyond reasonable or within common sense. Hawaii is seven small islands with a small population and a very limited number of service providers for most anything.

So, if a friend of mine goes to work for a company that provides service to an association that I am on the Board for, does that mean we can never go out to eat together again for fear that we might be accused and investigated of their company buying me a meal? What if we've been playing golf or going to the movies together for years already? Does 'indirectly' include our spouses, wedding presents, 1st luau presents.....?

Board members are already subject to 'Fiduciary Duty'.

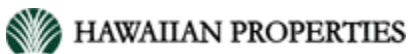
Who is behind this bill? It seems like a group of 'disgruntled' owners that don't like the members on their Board of Directors.

Sincerely,

John Brewer, CMCA®, AMS®
Senior Property Manager

Phone: 808-539-9722
Fax: 808-521-2714
E-mail: johnb@hawaiianprop.com

Front Desk: 539-9777



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February 9, 2016

VIA WEB TRANSMITTAL

Hearing Date: Wednesday, February 10, 2016

Time: 2:10 p.m.

Place: Conference Room 325

Committee on Consumer Protection & Commerce
House of Representatives, the 28th Legislature
Regular Session of 2016

Re: Community Associations Institute's **Testimony re HB 2512**

Dear Chair McKelvey, Vice Chair Woodson and Committee members:

I am the Chair of the Community Associations Legislative Action Committee ("CAI"). We represent the condominium and community association industry.

CAI offers recommended revisions to HB 2512:

§514A-A Conflict of interest. (a) No board member shall take any action directly affecting the association and a third-party provider in which the board member has a substantial financial interest, unless the board member provides written disclosure to the units owners by submitting this disclosure to the board of directors at a regular meeting of the board, and the written disclosure is reflected in the minutes of that meeting and attached thereto.

We respectfully submit that similar language be added to §514B-A as noted on pages 2 and 3 of HB 2512. These revisions will clarify the ambiguity in the language of the proposed Bill as to how the affected director is to make this written disclosure to the

owners. The proposed amendment will ensure that the written disclosure is part of the association's files and official record.

Therefore, we respectfully request that HB 2512 be amended as noted above.
Thank you for your consideration.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'C. Porter', with a stylized, flowing script.

Christian P. Porter, Chair of CAI LAC Hawaii

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 09, 2016 1:58 PM
To: CPCtestimony
Cc: alohaaclay@hawaii.rr.com
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

HB2512

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|-------------------|--------------------|--------------------|
| Alice Clay | Hui Malama O Hale | Support | Yes |

Comments: As part of self-governance, all owners should have access to documents affecting their interest and ownership in their home/condominium. Please pass this bill to expand the powers of the real estate commission to enforce violations.

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From: Kathy Lau <kathy.lau@gmail.com>
Sent: Thursday, February 04, 2016 5:34 PM
To: CPCtestimony
Subject: Support of condo rights bill

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Legislators,

Please support Condo Owners Rights. For too long management who influence BOD have worked to weaken owners rights. The management are hired Professionals who should not advocate against Condo Owners. Poor communication and unprofessional business practices such as hiding/withholding documents and interference with the voting process, cause owners (especially off island, including Japanese owners) to be at a huge disadvantage and cannot participate nor monitor their financial health. This impacts other areas of their health and well being. Professional Management cannot use excuses such as "it is too difficult etc" to do their work. If Management cannot or will not use the most common technology such as email (in the era of facebook) and electronic collection of maintenance fees, and communicating with the owners, they should get out of the business or upgrade their skills.

We join together with Condo Owners Coalition of Hawaii, Hui Oia'i'o Coalition, Hui O Malama Hale the Kapolei Hui and, many individuals who are working tirelessly in volunteer capacity for Owners Rights to support any and all legislation to protect Condo Owners Rights.

Please understand that the mgmt companies do not represent the owners, they represent themselves and the few BOD that they support. Owners have had enough and are very concerned at the decline of their rights. Please help us to preserve our rights as condo owners.

Mahalo

Kathy Lau and Hawaii Condo Hui

HB2512

Picture tree-lined streets and landscaped sidewalks, a family picnicking on the manicured greenway, children enjoying the community pool, a glimpse of the American Dream, and the public is sold the false impression that homeowners associations are healthily democratic and offer the same protections of individual rights as found in the public domain.

Upon closer examination, there are no fair election laws, nor effective due process hearings for violations, nor penalties against association directors for violations of the law and contractual obligations as found in the public domain.

The absence of enforcement by the State of Hawaii, using the justification of condo "self-governance," has resulted in too many "rogue" boards that form when they are given a free pass to do anything they like, that act without regard to public laws or conventions, and that are dismissive of their fiduciary obligations.

Is it any wonder that more than a third of association owners—36% of those polled nationally—reported that they do not rate their overall community association experience as "positive"?

In Hawaii, roughly more than one-third of residences fall under the condominium property regime. By extrapolating those national numbers to Hawaii, one may surmise that more than one out of every nine families in Hawaii may not feel positive about their association experience.

Then, the physical and financial assets managed by the condo industry in Hawaii alone is roughly \$62,000,000,000 (that is, sixty-two billion, with a "B," dollars). Of this, cash assets (reserves and operating capital) are estimated to be between half to a whole billion dollars, with a "B."

Juxtapose those monstrous number against this miniscule figure: only one individual in each property management company, the Principal Broker, is required to be licensed. All other employees, including the individuals that "serve" each association as association managers (aka, property managers), are not required to fulfill educational or ethical standards or be constrained by government oversight.

That is far too much to be left to trust and faith.

As ad hoc spokesperson for Hui `Oia`i`o, a coalition of condo owners from approximately 50 different condo associations, I am pleased to say that we support HB2512. This bill endeavors to ensure that undisclosed arrangements cannot be used to subvert our rights as Owners for personal gain or agenda. This bill also provides, upon passage, greater protection for Owners that decisions will be made fairly, honestly, and in respect to the whole.

*"If there is no penalty [for] disobedience,
the resolutions or commands which pretend to be laws will, in fact,
amount to nothing more than advice or recommendation."
(Alexander Hamilton, Federalist #15)*

Respectfully submitted,

Lila Mower for Hui `Oia`i`o

Please see the attached "Supportive Facts, Data, and Sources"

SUPPORTIVE FACTS, DATA, and SOURCES

As of mid-2015, there are 1746 condo associations which represent 169,842 units registered with the State; registration is required of associations with more than five units.¹

In 2014 there were 450,769 households in the state²

Mike Hartley, President of Hawaiiana Management said in the October 22, 2014 edition of Midweek that Hawaiiana manages 600 total projects, and provides management services for approximately 100,000 units on six islands, or roughly one in seven households³

January 8, 2016: "Hawaiiana manages 600 associations, representing more than 100,000 units," and "9 completed association developments are already contracted to start with Hawaiiana between January and March of 2016," and "62 planned associations under construction representing 12,311 residential, commercial and resort units are under contract with Hawaiiana."⁴

"The unification of condominium association management firms Associa Hawaii and Hawaii First won't have a direct effect on its 600 homeowner associations... The new company will manage 600 associations and 850 rentals and will have 271 employees, Emery said."⁵

As of January 20, 2015 Hawaiiana has 90,000 clients and "oversee[s] client and operating reserve accounts representing more than \$327 million."⁶

Star Advertiser, 3/14/2010, embedded in Rob Perez article, is the statistic that Hawaii has the highest per capita concentration of condos in the nation, it was 29.5% in 2008.⁷

38.1% of Hawaii's population lived in multi-family structures in 2014⁸

| Hawaii's median condominium sales prices | in 2014 | in 2015 |
|--|----------------------|-----------------------|
| Hawaii median prices | 282,396 ⁹ | no data |
| Kauai median prices | 330,306 ⁸ | 375,000 ¹⁰ |
| Maui median prices | 412,438 ⁸ | 410,000 ¹¹ |
| Oahu median prices | 350,433 ⁸ | 360,000 ¹² |

Oahu's population is roughly 70% of the state's population (an estimated 991,788 of 1,419,561 total)¹³

As of January 26, 2016, there are only 134 "CAI credentialed professionals" in Hawaii which include condo association managers and association managers, resident or general managers, hotel and timeshare companies (9), condo attorneys (2), reserve

¹ cca.hawaii.gov/reb/files/2015/10/AOUOcontact1015.pdf

² census.gov/newsroom/press-releases/2015/cb15-215.html

³ <http://www.midweek.com/50-years-stewardship/>

⁴ <http://nearsay.com/c/102618/28607/hawaiiana-management-company-celebrates-a-successful-2015>

⁵ http://www.bizjournals.com/pacific/blog/morning_call/2014/11/associa-hawaii-and-hawaii-first-to-combine-as-one.html :

⁶ <http://nearsay.com/c/34388/28607/hawaiiana-promotes-ed-kaya-and-charla-treven>

⁷ <http://the.honoluluadvertiser.com/article/2010/Mar/14/In/hawaii3140366.html>

⁸ <http://quickfacts.census.gov/qfd/states/15000.html>

⁹ Hawaii Realtors.com

¹⁰ <http://www.kauaiboard.com/xSites/Agents/KauaiBoardofREALTORS/Content/UploadedFiles/Kauai%20Statistics%20-%20December%202015.pdf>

¹¹ <http://www.ramaui.com/UserFiles/File/Stats/All-December2015.pdf>

¹² Hicentral.com

¹³ <http://quickfacts.census.gov/qfd/states/15/15003.html>

specialists (5), of which 119 are affiliated with a management company and/or with an association (but two are on the mainland).¹⁴

| | | | |
|---------------------|----|------------------------|---|
| Hawaiiana | 22 | Hawaii First | 4 |
| Associa | 20 | Management Specialist | 1 |
| Hawaiian Properties | 6 | Management Consultants | 1 |
| Touchstone | 4 | Denys & Associates | 1 |

John Bouchie, Hawaiiana manager and VP said on January 14, 2016, that Hawaiiana manages 616 associations and has 86 property managers.

Hawaiiana Management's own website says, "Under the auspices of Hawaiiana are over 600 projects, encompassing more than 95,000 residential units, and a portfolio topping an estimated \$29 billion in real estate. Most recently, Hawaiiana has been contracted to manage new residential associations ONE Ala Moana, Kukui'ula, Waihonua and Kehalani Community Association."¹⁵

"90% of residents rate their overall community association experiences as positive (64%) or neutral (26%)." The accompanying chart showed that 10% rated their experience as "negative." ¹⁶

(Data and quotations compiled by members of Hui 'Oia 'i'o)

¹⁴ <https://www.caionline.org/Pages/Credentials->

¹⁵ <http://hmcmt.com/page/579~491435/Key-Statistics>

¹⁶ <https://www.caionline.org/Advocacy/StateAdvocacy/Laws/Documents/Hawaii.pdf> A CAI lobbyist, at a conference in a Senator's office in January, 2016, implied that 90% rated their experiences as "positive." Because that statistic varied greatly from our own experiences, we sought the reference and found that 10% of those polled rated their overall community experience as "negative" and that 26% rated it "neutral." Borrowing CAI's own method of processing data, we derived that 36% did not rate their overall community experience as "positive," a figure more in line with our experiences.

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 05, 2016 10:13 AM
To: CPCtestimony
Cc: kalelekai002@hawaii.rr.com
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

HB2512

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Alan Takumi | Individual | Oppose | No |

Comments: This bill just adds to the administrative burden to the association. HRS Chapter 514B-125(f) already has the requirement for board members to declare conflict of interest to the rest of the board. That should be enough. Requiring the board to send out to all owners the conflict of interest is an expense that's not needed. Also requiring prior written disclosure will delay board actions.

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From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 05, 2016 10:19 AM
To: CPCtestimony
Cc: jassaturian@yahoo.com
Subject: *Submitted testimony for HB2512 on Feb 10, 2016 14:10PM*

HB2512

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-----------------|--------------|--------------------|--------------------|
| JOHN ASSATURIAN | Individual | Support | No |

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Saturday, February 06, 2016 2:33 PM
To: CPCtestimony
Cc: mrckima@gmail.com
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

HB2512

Submitted on: 2/6/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------|--------------|--------------------|--------------------|
| Marcia Kimura | Individual | Support | No |

Comments: I support this bill, because legislation which regulates unlawful financial activities, receiving of gifts and gratuities is long overdue. These illegal actions are a possible factor in why some Boards and other management individuals remain in their positions for such extended periods, despite their bloated claims of personal sacrifice. and tolerating demanding, thankless conditions.

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From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 07, 2016 1:08 PM
To: CPCtestimony
Cc: SherlBlod@aol.com
Subject: *Submitted testimony for HB2512 on Feb 10, 2016 14:10PM*

HB2512

Submitted on: 2/7/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-------------------------|--------------|--------------------|--------------------|
| Gladys Sherley Blodgett | Individual | Support | No |

Comments:

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RE: HB 2512 Conflict of Interest

As of mid 2015, there were 1,746 condo associations which represent 169,842 units registered with the State. The real estate value of those existing condos is estimated to be nearly \$62 billion. 170,000 taxpayers and home owners who are asking for assertion of their homeowners' rights.

Homeowners are being denied access to the governance of their own condominiums. Association managers, property managers and board members alone make all the decisions. And if they do not act in the best interest of the home owners, home owners find themselves alone to be able to resolve, let alone question proceedings and decisions.

One measure to minimize this issue is the conflict of interest measure before the Legislature. It is common practice in most businesses, let alone a \$62 billion industry. It prevents overreach by an individual or a group of individuals.

The companies and individual with the oversight for the \$62 billion in condos, and growing, I might add, hold a fiduciary responsibility to the homeowners. Fiduciary, where the company and board members must act in the interested of the principal, the homeowner. When a homeowner elects a board they do not forfeit all their right as homeowner. They simply create a fiduciary relationship with the board which they need the ability to question when needed.

From the current climate of homeowners experience, this very basic fact of the fiduciary relationship has been forgotten. Establishing a spelled out conflict of interest protocol will minimize potential abuse and appearance of impropriety on behalf of all parties.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 09, 2016 7:30 AM
To: CPCtestimony
Cc: Jwhite888@gmail.com
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM
Attachments: HB2512 conflict of interest.docx

HB2512

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| john white | Individual | Support | No |

Comments:

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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COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Testimony Regarding HB 2512

John Morris
888 Mililani Street
2nd Flr, Honolulu
(808) 523 0702

Chair McKelvey and Members of the Committee,

I work as an attorney representing condominiums and other homeowner associations and I am testifying against HB 2512. HB 2512 seems to presuppose that widespread corruption and conflicts exist among board members of condominium and homeowner associations. The bill does not indicate how this conclusion was arrived at. Nevertheless, it seems that further research should at least be conducted to determine whether the bill is even necessary.

First, the law already states, and has many years, that condominium directors owe a fiduciary duty to their members, see section 514B-106 (a). A fiduciary duty is considered to be one of the highest duties imposed by law. In fact, some people already question whether volunteer board members should be held to such a high standard.

Moreover, both condominium and planned community directors are already required to disclose and abstain from voting on conflicts of interest – defined as a personal or pecuniary interest not common to other association members – see section 514B-125 (f); section 421J-5; and section 414D-150. Therefore, this bill seems to duplicate provisions already found in the law.

If the bill is based on claims of owners about the conduct of their directors, legislators should first investigate those claims. Owner reports of director misconduct are often based on misconceptions or exaggerated. For example, many owners have a far broader definition of conflict of interest than the law. Some owners believe that the fact that the director has a potential conflict of interest disqualifies the director from serving on a board, even though the law requires a director to actually vote on the matter for a conflict of interest to arise.

Similarly, some owners believe that a difference of opinion on an issue is a violation of the law. They fail to recognize that directors have significant discretion in carrying out their duties, and the fact that the owner does not agree with the board's exercise of that discretion does not make the board's decision illegal.

Monday's hearing on the proposed condominium ombudsman illustrates that point. A testifier stated that the board on which he served had violated section "514B-100" by voting that owners should not be allowed to speak at their board meetings. While there is no section 514B-100, there is section 514B-125 (a), which reads as follows:

§514B-125 Board meetings, (a) All meetings of the board, other than executive sessions, shall be open to all members of the association, and association members who are not on the board may participate in any deliberation or discussion, other than executive sessions, **unless a majority of a quorum of the board votes otherwise.**

Thus, the law specifically confirms that the testifier's board was permitted to do what it did. Therefore, his claim of illegality was actually just a difference of opinion. While the wisdom of his board's action in barring owner participation can be debated, the board's decision was not illegal. (The section recognizes that the main purpose of a board meeting is to conduct board business, so the board should be able to control the level of participation by owners who attend the meeting.)

From 1988 to 1991, I served as first condominium specialist attached to the real estate commission. My primary role was providing information, advice, and referral to condominium owners, and one of the first things I learned was not to believe everything I was told.

One owner called to complain that the board was mistreating the resident manager, without mentioning that the resident manager was her daughter (and, unfortunately, upon investigation, was apparently not doing a very good job!). Another woman asked me to attend her board meeting to protect her from the oppressive nine-member board at her project. When I arrived at the board meeting, it immediately became clear that the board members were a group of fairly ordinary people who were intimidated by the abrasive and confrontational woman who had invited me to the meeting (and who later became board president and was far more autocratic and dictatorial than any of the people she complained of).

In fact, it is a frequent cry of board members that the legislature should do something to protect them from owners. Last year, a board president returned home from a hard day's work to find a camera crew waiting for her at the entrance to her building. The camera crew had been told by a resident of the building that the board president was taking kickbacks in connection with a bank loan. It quickly became clear to the camera crew that the accusation was false and they left. When asked for the basis of her claim, the resident claimed that someone had told her that board members were "always" taking kickbacks from banks, vendors, et cetera.

It appears that this bill is based on the same type of information: hearsay and apocryphal stories. Therefore, I strongly urge the committee to at least investigate these issues before passing such a draconian bill. Perhaps committee members could attend a board meeting in their districts to see how most boards typically function – doing their best under difficult circumstances.

Thank you for this opportunity to testify.

John Morris

woodson2-Shingai

From: Steve Glanstein <steveghi@gmail.com>
Sent: Tuesday, February 09, 2016 3:08 PM
To: CPCtestimony
Cc: mckelvey3-Radji
Subject: RE: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

Follow Up Flag: Follow up
Flag Status: Flagged

I'd appreciate if you could simply mark it late like the committee has done in the past. It was only 5 minutes after your time according to your clock. I'll point that out to the committee.

Steve Glanstein
[Steveghi@Gmail.com](mailto:steveghi@gmail.com)

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From: woodson2-Shingai [mailto:woodson2@capitol.hawaii.gov] On Behalf Of CPCtestimony
Sent: Tuesday, February 9, 2016 3:04 PM
To: CPCtestimony
Cc: steveghi@gmail.com
Subject: RE: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

Aloha,

Thank you for your email. Unfortunately, this testimony was not included in the packet to the committee. Should you want your testimony to be noted for the record, please come to the hearing with twenty-two (22) hard copies for members and staff offices. We will not make copies for you.

For future testimony to the committee, please follow the directions on the hearing notice. An email confirmation is received when testimony is successfully transmitted.

Mahalo.

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Tuesday, February 09, 2016 2:15 PM
To: CPCtestimony <cpctestimony@capitol.hawaii.gov>
Cc: steveghi@gmail.com
Subject: Submitted testimony for HB2512 on Feb 10, 2016 14:10PM

HB2512

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
|--------------|--------------|--------------------|--------------------|

| | | | |
|-----------------|------------|--------|-----|
| Steve Glanstein | Individual | Oppose | Yes |
|-----------------|------------|--------|-----|

Comments: The bill proposes to criminalize conflict (see HRS 514B-69) of interest in a way that doesn't even apply to the paid officials. I'm in favor of disclosure and abstention in the board minutes. However, applying it to a board member's spouse is too much. It's hard enough to get good board members.

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HB2512

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|--------------|--------------------|--------------------|
| Teri Heede | Individual | Support | No |

Comments:

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