- Measure Title: RELATING TO CONDOMINIUMS.
- Report Title: Condominium Associations; Managing Agent; Condominium Boards; Meetings; Quorum; Majority Vote

Establishes provisions for condominium association annual meetings and quorum requirements. Permits the board of an association to employ and discharge the managing agent of an association, subject to a vote of a majority of the unit owners at an association meeting. Provides an exemption for a condominium project in which a majority of the units have been submitted to one or more vacation plans, or in which one or more units has been submitted to a vacation plan established by the developer of the project or by an affiliate of the developers.

Companion:

- Package: None
- Current Referral: CPN
- Introducer(s): KIDANI, BAKER, DELA CRUZ, ESPERO, NISHIHARA, WAKAI, Galuteria

Sort by Date		Status Text
1/23/2015	S	Introduced.
1/26/2015	S	Passed First Reading.
1/28/2015	S	Referred to CPN.
2/13/2015	S	The committee(s) on CPN has scheduled a public hearing on 02-19- 15 9:00AM in conference room 229.





February 19, 2015

The Honorable Rosalyn H. Baker, Chair Senate Committee on Commerce & Consumer Protection State Capitol, Room 229 Honolulu, Hawaii 96813

RE: S.B. 826, Relating to Condominiums

HEARING: Thursday, February 19, 2015, at 9:00 a.m.

Aloha Chair McKelvey, Vice Chair Woodson and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,400 members. HAR **opposes** S.B. 826 establishes provisions for condominium association annual meetings and quorum requirements. Permits the board of an association to employ and discharge the managing agent of an association, subject to a vote of a majority of the unit owners at an association meeting. Provides an exemption for a condominium project in which a majority of the units have been submitted to one or more vacation plans, or in which one or more units has been submitted to a vacation plan established by the developer of the project or by an affiliate of the developers.

The Board of Directors for a condominium association is elected by the condo owners to run the association, and it is responsible for the management and operation of the association's business affairs. However, the board may directly or, more often, hire a management company to perform the day-to-day operations. Furthermore, the Board members owe a fiduciary duty to the association for their performance of their duties.

This measure provides that a managing agent may be terminated by vote of a majority of the unit owners at an association meeting. HAR believes that this bill will interfere with one of the Board of Directors primary duties and responsibilities in selecting a managing company; which it was elected for. Also, this issue could easily become one that negatively divides the unit owners and creates uncertainty each year at the annual meeting. As such, HAR respectfully requests that this provision be removed.

Mahalo for the opportunity to testify.



Testimony Hawaii Community Associations Institute (CAI)

SB 826 IN SUPPORT

I am submitting testimony on behalf of the Legislative Action Committee of Community Associations Institute (CAI). SB 826 addresses important issues condominiums face today. SB 826 supports condominium owners by ensuring that an a director election is held each year at an annual meeting. Furthermore, it allows the elected directors to select the managing agent and voids bylaw provisions that mandate a super majority of all owners to change a managing agent in some case 80%. Thus, directors are prevented from making business decisions in the best interest of the association by such provisions.

Annual Meeting Quorum: A loophole in the current law allows directors to serve without having to stand for reelection. The bylaws of a condominium provide for an annual meeting; a meeting where directors are reelected and a mandatory tax resolution to file the association's income tax is adopted. If the association fails to obtain a quorum, board may declare that they conducted the annual meeting with a result of no quorum and to avoid an election. The boards wait another year before scheduling the next annual meeting. Thus a director whose term has expired never stands for reelection and serves beyond their term. There are examples where such practice has occurred for years, particularly when a board in under fire by homeowners for its decisions. Boards have some ability to influence a quorum by the process they take to solicit proxies. The unintended consequence is that the association never approves its tax resolution for the tax-free rollover over of its funds which potentially imposes a future tax liability on the association. SB 826 mandates a second meeting within 90 days and reasonably reduces quorum assuring that directors will stand for reelection at the end of their term and assures the tax resolution being adopted. Requiring an annual meeting and thus an election is a fundamental obligation of an association.

Managing Agent Employment: There is an alarming trend in new associations where bylaws provide difficult or in some cases impossible circumstances for a board to terminate the Managing Agent. In some cases, the board has no authority to terminate a management contract without the prior vote of the majority of all homeowners not just those in attendance, and in some cases as much as 80% of all homeowners. Clearly the board is charged with the fiduciary duty in the management of the association and should be free from constraints that prevent them from making business decisions for the benefit of the association. In every new association, the owners inherit the Managing Agent and were not involved with the initial selection by the developer. A Managing Agent is no more than a business that should earn its contract though its service and trust of the board. The board will be most knowledgeable about its every day dealings with the Managing Agent. On the other hand, boards serve the homeowners. If a majority of homeowners want a new Managing Agent the board should be required to comply.

SB 826 allows the board (the Principal) to employ and discharge the Managing Agent while respecting the rights of homeowners to require a management change. It further recognizes that a time share organization has very different needs and thus exempt from this provision.

Community Associations Institute SUPPORTS SB 826.

Sincerely,

R. Jans Ener

Richard Emery CAI Legislative Action Committee

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	kalelekai002@hawaii.rr.com
Subject:	Submitted testimony for SB826 on Feb 19, 2015 09:00AM
Date:	Sunday, February 15, 2015 11:35:28 AM

Submitted on: 2/15/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

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

Comments: Due to the difficulties of getting enough proxies to establish quorum, I support this bill so long as it's clear that the notices for the meeting is sent out per the statute.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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.

Re: Testimony AGAINST WITH COMMENTS regarding SB286; Hearing Date February 19th, 2015 at 9 a.m. sent via the Internet

Dear Senator and Chair Baker, Senator and Vice Chair Taniguchi, and Committee members,

Thank you for the opportunity to offer a written testimony regarding SB 286. My name is Kaan Ustun. I am a Condo Owner in Waikiki. And I oppose this bill.

As comment, I will offer my support and agreement with the following testimony from Condo Owner Lila Mower.

"I <u>oppose</u> SB826.

A fair, honest, and proper electoral process is the foundation of condominium self-governance.

While it <u>appears</u> helpful to lower the quorum by half after the first attempt to reach the 50+% quorum fails, this is only superficial: It is not uncommon for Boards to be assigned roughly 25% of proxies by common interest. Thus by halving the quorum requirement to 25+%, this bill does not prevent Boards from controlling elections and re-electing themselves. Rather, in the face of a Board or property management firm that does not exercise diligence in distributing proxy forms, owners are disenfranchised when such a low quorum is required.

It would be better to keep the quorum requirement as is, at 50+%, and address why the 50+% quorum is not satisfied:

(1) because a true and honest attempt to achieve that quorum was not made (failure of notification process), and

(2) because of owners' "apathy" due to owners' frustrated efforts to effect improvement, or inability to receive open and transparent communication and thus, secure accountability.

Additionally, '*HRS514b-111 Judicial power to excuse compliance with requirements of declaration or bylaws*' already provides a method by which an individual condo association may excuse themselves from the 50% quorum requirement. Let individual condo associations utilize this provision rather than passing a bill which harms all Hawaii condo owners.

Finally, if the 25+% quorum requirement is passed, then how difficult will it be for owners to accumulate the 50+% to terminate property management firms?

I suggest that it is more reasonable, in order to eliminate Boards which are re-elected over and over with minimal owners input, to pass a term limit requirement. While those portions of SB826 which offer owners greater ability to terminate property management firms are helpful to empower owners in self-governance, please delete any reference to lowering the quorum by half which will only ensure the longevity of autocratic Boards.

PLEASE LISTEN TO THE VOICES OF CONDO OWNERS, not those who are looking for financial gain at our expense. Thank you!

Lila Mower, condo owner"

I believe in the fairness of election process. I believe in the responsibility of the owners to be allowed to make informed decisions and not allowing others to decide on our behalf based on personal financial gains and interest rather than on behalf of the owners and the Association as a group.

I fear this bill will only increase the power of the Board of Directors rather than keeping them accountable. Please eliminate the "any reference to lowering the quorum by half which will only ensure the longevity of autocratic Boards".

Thank you,

Sincerely,

Kaan Ustun Condo Owner

Lon Pierce 4300 Waialae Ave, A201 Honolulu, HI 96816

February 18, 2015

Honorable Representative Angus L. K. McKelvey, Chair Honorable Representative Justin Woodson, Vice-Chair

RE: SB826/HB275

As an owner (Kahala Towers) I am opposed to the recommend changes to §514B concerning association meetings.

I've reviewed the information on the website for those supporting this change, and do not understand why Hawai'i State Association of Parliamentarians Legislative Committee, Hawai'i Community Associations Institute and the Hawai'i Council of Associations of Apartment Owners that they are supporting this change.

Where is the data that indicates that this is a major problem with associations getting a quorum for their annual meeting? This looks like away that the groups mentioned above can keep current board members in power and does not support the owners but for their own cause.

I see as a major problem here is the failure of the associations and property managers of not reminding owners of the annual meeting and returning their proxy after the first notice. The associations and property managers need to send a reminder to owners a week or two out from the meeting. Currently, owners are informed one time, 30 days out from the meeting and we forget.

Therefore, I'm asking the committee to relook this change and put it on hold, until those that are supporting the change to provide the data to support this change and why associations and property managers have not established procedures to remind owners of such meeting.

I know this is not part of this review, but I have a radical suggestion. Suggest that §514B concerning board membership read that all owners will be eligible for board membership while they own their unit, thereby eliminating the use of proxy to select board members and stacking the board with buddies of board members by soliciting proxies. Proxy should not be used for election of board members. Ballot system is the way to go just like we do our general elections. I know it is radical but it is something that needs to be seriously looked at by a committee of owners and other individuals appointed by the legislature or governor.

Thank you for your time.

Lon Pierce

ASSOCIATION OF APARTMENT OWNERS OF KAHALA TOWERS PROXY

Please check only one of the following boxes. If no proxy holder is designated, or if no box is checked. Note: or if more than one box is checked, the proxy shall be given to the Board of Directors as a whole. If you are not present at the meeting, this proxy designates your proxy holder as your substitute for any proxies assigned to you unless you designate another substitute in writing subsequent to this proxy.

The undersigned, being the owner(s) of the apartment(s) shown below, does hereby constitute and appoint

The Board as a whole, to be voted on the basis of the preference of a majority of the Directors present at the meeting, or

The Directors present at the meeting and the vote to be shared with each Director receiving an equal percentage, or

_____The individual whose name is printed on this line (to be used for quorum if absent and if the individual has not assigned his proxy)

as the undersigned's attorney and agent, with full power of substitution, to act in the undersigned's name. place, and stead, and to vote the undersigned's proxy at the March 17, 2015 annual Association meeting to be held Onsite - "A" Tower Lobby, and at any and all adjournments thereof, for the transaction of any and all business that may properly come before the meeting, including the election or re-election of directors, according to the proportional interest in the common elements that the undersigned would be entitled to vote if then personally present, hereby revoking any proxy or proxies heretofore given, and ratifying and confirming all that said attorney and agent may do by virtue hereof, or

For quorum purposes only.

This proxy is valid only for the meeting cited above and any and all adjournments thereof. If I/we attend the meeting in person, I/we may request a ballot to vote in person thereby voiding this proxy (if not previously exercised). Receipt of notice of said meeting is hereby acknowledged.

PRINTED NAME(S) OF OWNER(S) [REQUIRED BY LAW]:

SIGNATURE(S) OF OWNER(S) [REQUIRED BY LAW]:

UNIT NO(S). TREQUIRED BY LAW]

DATE SIGNED:

[REQUIRED BY LAW] Do not postdate.

Sign and print your name as it appears in the Association's records, and provide your unit number(s) and the date. Persons signing in a representative capacity (personal representatives, executors, administrators, trustees, guardians, conservators, partners, members of a member-managed LLC, managers of a manager-managed LLC, and corporate officers) are to add their titles and, if requested, are to submit evidence of their authority to act in that capacity.

For this proxy to be valid, the proxy must be received by the Association's Managing Agent or Secretary no later than 4:30 p.m., on March 13, 2015. Proxies may be faxed to (808) 593-6333.

IF NOT PROVIDED PRIOR TO OR TOGETHER WITH THE NOTICE OF MEETING, I WISH TO OBTAIN A COPY OF THE ANNUAL AUDIT REPORT IF ACCOMPLISHED.

Hi:

I own one condominium in the following buildings on Oahu. Sunset Towers, Mokuleia Surf, Hale-O-Kalani Towers and Country Club Plaza. I have been on BOD and president of the first three AOUO at one time. Presently, I serve on three condo boards. Reducing quorum to 25% is not conducive to more transparency. Mahalo

Harendra Panalal off. 792-0455 harendrap@leisinc.com I am a condo owner.

I OPPOSE SB826

Harrison Luke

I oppose SB826.

A fair, honest, and proper electoral process is the foundation of condominium self-governance.

While it <u>appears</u> helpful to lower the quorum by half after the first attempt to reach the 50+% quorum fails, this is only superficial: It is not uncommon for Boards to be assigned roughly 25% of proxies by common interest. Thus by halving the quorum requirement to 25+%, this bill does not prevent Boards from controlling elections and re-electing themselves. Rather, in the face of a Board or property management firm that does not exercise diligence in distributing proxy forms, owners are disenfranchised when such a low quorum is required.

It would be better to keep the quorum requirement as is, at 50+%, and address why the 50+% quorum is not satisfied:

(1) because a true and honest attempt to achieve that quorum was not made (failure of notification process), and

(2) because of owners' "apathy" due to owners' frustrated efforts to effect improvement, or inability to receive open and transparent communication and thus, secure accountability.

Additionally, '*HRS514b-111 Judicial power to excuse compliance with requirements of declaration or bylaws*' already provides a method by which an individual condo association may excuse themselves from the 50% quorum requirement. Let individual condo associations utilize this provision rather than passing a bill which harms all Hawaii condo owners.

Finally, if the 25+% quorum requirement is passed, then how difficult will it be for owners to accumulate the 50+% to terminate property management firms?

I suggest that it is more reasonable, in order to eliminate Boards which are re-elected over and over with minimal owners input, to pass a term limit requirement. While those portions of SB826 which offer owners greater ability to terminate property management firms are helpful to empower owners in self-governance, please delete any reference to lowering the quorum by half which will only ensure the longevity of autocratic Boards.

PLEASE LISTEN TO THE VOICES OF CONDO OWNERS, not those who are looking for financial gain at our expense. Thank you!

CONDO OWNER

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	lila.m@hawaiiantel.net
Subject:	Submitted testimony for SB826 on Feb 19, 2015 09:00AM
Date:	Sunday, February 15, 2015 10:54:11 PM

Submitted on: 2/15/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lila Mower	Individual	Oppose	No

Comments: I oppose SB826. A fair, honest, and proper electoral process is the foundation of condominium self-governance. While it appears helpful to lower the quorum by half after the first attempt to reach the 50+% quorum fails, this is only superficial: It is not uncommon for Boards to be assigned roughly 25% of proxies by common interest. Thus by halving the guorum requirement to 25+%, this bill does not prevent Boards from controlling elections and re-electing themselves. Rather, in the face of a Board or property management firm that does not exercise diligence in distributing proxy forms, owners are disenfranchised when such a low quorum is required. It would be better to keep the quorum requirement as is, at 50+%, and address why the 50+% quorum is not satisfied: (1) because a true and honest attempt to achieve that guorum was not made (failure of notification process), and (2) because of owners' "apathy" due to owners' frustrated efforts to effect improvement, or inability to receive open and transparent communication and thus, secure accountability. Additionally, 'HRS514b-111 Judicial power to excuse compliance with requirements of declaration or bylaws' already provides a method by which an individual condo association may excuse themselves from the 50% quorum requirement. Let individual condo associations utilize this provision rather than passing a bill which harms all Hawaii condo owners. Finally, if the 25+% quorum requirement is passed, then how difficult will it be for owners to accumulate the 50+% to terminate property management firms? I suggest that it is more reasonable, in order to eliminate Boards which are re-elected over and over with minimal owners input, to pass a term limit requirement. While those portions of SB826 which offer owners greater ability to terminate property management firms are helpful to empower owners in self-governance, please delete any reference to lowering the quorum by half which will only ensure the longevity of autocratic Boards. PLEASE LISTEN TO THE VOICES OF CONDO OWNERS, not those who are looking for financial gain at our expense. Thank you! Lila Mower, condo owner

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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webmaster@capitol.hawaii.gov

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	mrckima@gmail.com
Subject:	Submitted testimony for SB826 on Feb 19, 2015 09:00AM
Date:	Monday, February 16, 2015 3:31:46 PM

Submitted on: 2/16/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Marcia Kimura	Individual	Oppose	No

Comments: I oppose SB826. A fair, honest, and proper electoral process is the foundation of condominium self-governance. While it appears helpful to lower the quorum by half after the first attempt to reach the 50+% quorum fails, this is only superficial: It is not uncommon for Boards to be assigned roughly 25% of proxies by common interest. Thus by halving the guorum requirement to 25+%, this bill does not prevent Boards from controlling elections and re-electing themselves. Rather, in the face of a Board or property management firm that does not exercise diligence in distributing proxy forms, owners are disenfranchised when such a low quorum is required. It would be better to keep the quorum requirement as is, at 50+%, and address why the 50+% quorum is not satisfied: (1) because a true and honest attempt to achieve that guorum was not made (failure of notification process), and (2) because of owners' "apathy" due to owners' frustrated efforts to effect improvement, or inability to receive open and transparent communication and thus, secure accountability. Additionally, 'HRS514b-111 Judicial power to excuse compliance with requirements of declaration or bylaws' already provides a method by which an individual condo association may excuse themselves from the 50% quorum requirement. Let individual condo associations utilize this provision rather than passing a bill which harms all Hawaii condo owners. Finally, if the 25+% quorum requirement is passed, then how difficult will it be for owners to accumulate the 50+% to terminate property management firms? I suggest that it is more reasonable, in order to eliminate Boards which are re-elected over and over with minimal owners input, to pass a term limit requirement. While those portions of SB826 which offer owners greater ability to terminate property management firms are helpful to empower owners in self-governance, please delete any reference to lowering the quorum by half which will only ensure the longevity of autocratic Boards. PLEASE LISTEN TO THE VOICES OF CONDO OWNERS, not those who are looking for financial gain at our expense. Thank you!

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webmaster@capitol.hawaii.gov

From:	Alice
To:	CPN Testimony
Subject:	SB826- Oppose
Date:	Tuesday, February 17, 2015 11:42:53 PM

Aloha Ka Kou Senators Kidani, Baker, Dela Cruz, Espero, Nishihara, Wakai and Galuteria.

I oppose SB826 which if passed would give the management companies, parliamentarians, attorneys and BOD a slam dunk opportunity to take control of all the business of a condominium shutting out any owner who suppose to have rights under the condo law of self-governance and owner enforcement. What happened to common ownership and control? AS is, many owners have complained to RICO under ACT 188 and have hit a "wall" when RICO tells us they cannot investigate anything to do with employee and personnel confidential information. When an owner cannot look at the contract with a management company who in some condos are treated as a vendor and should be a vendor, but some BOD takes the attitude that they are an employee? When an owner asked to see contract between attorney and BOD and are told attorney is an employee? Aren't these hired professionals paid from ALL the owner's maintenance fee? When an owner ask to see check ledgers of the association and finds out the only register she is allowed to see is the vendor's check register.. and after paying to obtain these documents which should be free for an owner... and examining the vendor check register, she finds employees listed as being paid from the vendor check register account.. Why? They are employees and not vendors? Also included in ledger check register are payments made to CHILD SUPPORT ENFORCEMENT AGENCY twice a month... and when she ask RICO to investigates... she is told case is close by RICO because RICO is limited in their investigative powers since they cannot question anything to do with confidential personnel information and owner received vendor check register. Who wrote that rule? Owners were led to believe that ACT 188 gave RICO the power to investigate and help owners.. RICO has failed owners who under the condominium law based on the principles of self-governance and owner enforcement... owners are helpless since RICO and ACT 188 failed.

Section 1 deals with owner's annual meeting not meeting the required quorum to conduct the annual meeting, and subsequent meeting to be a continuation of the annual meeting and this continued meeting to be conducted by reducing the quorum to one-half of the requirement as stated in the bylaws.

Section 2 has added in (g).... which deals with employing and terminating managing agent.. subject to majority of unit owners.. if Section 1 gives management companies control, they are not going to terminate themselves... This is a ploy which may sounds good but in actuality cannot be achieved.

Section 2 goes on and adds a whole section on vacation plans which I think is an issue that should stand on it's own under Time Share Plans.. It only adds to convoluting this bill and should be submitted as a separate bill under 514B-E.

PLEASE DEFER THIS BILL .

Mahalo, Alice Clay

From:	Kathy Lau
To:	CPN Testimony
Cc:	<u>Sen. Brian Taniguchi</u>
Subject:	SB 826 oppose
Date:	Tuesday, February 17, 2015 11:45:05 PM

Dear sir,

I oppose sb 826.

It is true that there is a low percentage of owners attending annual meetings. The reason for this is the lack of communication by the boards and the mgmt companies, they hide noticesnin inconspicious places and in addition hold meetings at the mgmt offices far from the site and with lack of parking at inopportune times for condo owners.

During the meetings the owners are bullied and restricted the their participation, so why would they attend. This year I ran for the board and asked that an agenda item be placed on the agenda. The managing agent refused to allow that saying that the board has to meet first. In fact the board did meet a few days before and the vp told me they discussed my letter which included the request that the agenda item be included.

At my condo the board has instituted secret committee meetings and all business is conducted in executive sessions. It is impossible to get any information regarding what is going on. The mgmt influences the boards to elect people who will not be watching what is going on. Well meaning volunteers who are either too busy to pay attention or trusting souls who refuse to ask questions or take naps at the meetings are elected by the board and mgmt companies proxies. If you ask questions you will not get on your board, records are hidden despite act 188.

Giving this group who are anti owner the right to use the vote with only 25% proxies is another step in the direction of a hostile takeover. There have been a lot of new laws aimed at limiting owners rights, that has happened be no one represents the owners. The mgmt are being paid to lobby the legislature and there are no checks and balances.

Please support the owners, we do not need to have management to take control and hide their actions in spite of act 188. The mgmt lobby tells it's members to ignore the law.

Allowing the proxies to be reduced to 25% is a power play by the managing companies. Please reject this SB and tell the management companies to reform so we can all live in Peace.

Thank you kathy lau

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	<u>pjburniske@yahoo.com</u>
Subject:	Submitted testimony for SB826 on Feb 19, 2015 09:00AM
Date:	Monday, February 16, 2015 9:40:48 PM

Submitted on: 2/16/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Penelope Burniske	Individual	Oppose	No

Comments: This bill must not be passed. It does not protect the homeowners ~

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.

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	lukeh001@hawaii.rr.com
Subject:	Submitted testimony for SB826 on Feb 19, 2015 09:00AM
Date:	Wednesday, February 18, 2015 2:11:00 PM

Submitted on: 2/18/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Harrison Luke	Individual	Oppose	No

Comments: I OPPOSE to SB826

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.

From:	mailinglist@capitol.hawaii.gov
To:	CPN Testimony
Cc:	yumiofarrell@yahoo.com
Subject:	*Submitted testimony for SB826 on Feb 19, 2015 09:00AM*
Date:	Sunday, February 15, 2015 11:31:23 PM

Submitted on: 2/15/2015 Testimony for CPN on Feb 19, 2015 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
YUMIKO OFARRELL	Individual	Oppose	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.

From:	Hans Gerner
To:	CPN Testimony
Subject:	Senate Bill 826
Date:	Monday, February 16, 2015 10:26:24 AM

The proposal to reduce association quorum requirements from 50% to 25% must not pass in its current form. A lower quorum requirement will allow sitting association Board of Directors to do anyhting they want at the meetings, since it will be much easier for them to obtain a 25% quorum than a 50% threshold. They re-elect themselves and may pass any rules or regulations that they want without proper imput of at least 50% of owners. Thank you for your attention to this matter. Hans Gerner

Hans Gerner, Ph.D. T: 808-396-2186 hgerner1@hawaii.rr.com I oppose SB826.

I am a Realtor in Hawaii.

Lowering the quorum requirement is not, in my opinion, a justifiable representation of the "voice" of the condominium owners.

By doing so, this will diminish the quality of condominium/townhome management, governing, quality of living in each community. How can 25% make the decision for 75% of the other owners? If the Board in place now is not doing a good job for the whole, how can this be rectified? This is evident in a number of AOAO associations now and will only get worse should SB826 be approved.

I strongly OPPOSE SB826.

Vicki Ebesu