

HAWAI'I STATE ASSOCIATION OF PARLIAMENTARIANS LEGISLATIVE COMMITTEE P. O. Box 29213 HONOLULU, HAWAI'I 96820-1613

E-MAIL: STEVEGHI@GMAIL.COM

April 3, 2022

Honorable Rep. Aaron Ling Johanson, Chair Honorable Rep. Lisa Kitagawa, Vice-Chair House Committee on Consumer Protection and Commerce (CPC) Hawaii State Capitol, Room 329 415 South Beretania Street Honolulu, HI 96813

RE: Testimony in SUPPORT OF SB2685 SD2 with amendments (2); Hearing Date: April 5, 2022 at 2:00 p.m. Conference room 329 and Zoom; sent via Internet

Aloha Rep. Johanson, Chairman; Rep. Kitagawa, Vice-Chair; Committee Members,

Thank you for the opportunity to provide testimony on this bill.

This testimony is presented in **SUPPORT OF SB2685 SD2**.

We also ask for the committee's indulgence to include 2 amendments.

A. Effective Date

We suggest that the committee consider an effective date of January 1, 2023. This will provide clarity for associations and avoid the situation where a meeting notice goes out **before** the effective date and the meeting is conducted **after** the effective date.

B. Proposed Change to the NonProfit Corporations Act, Chapter 414D

Reference is made to page 8, line 13 in the bill which proposes to make HRS §414D-138(f) match the wording in HRS §421J-B (page 4, line 18) as it relates to Planned Community Associations.

We suggest that HRS §414D-138(f) on page 8, line 13 be left intact.

Even though the bill makes it clear that HRS §414D-138 no longer applies to Planned Community Associations (page 9, lines 11-12), the apparently minor change to HRS §414D-138(f) on page 8, line 13 in the bill could have an unintended effect on nonprofit corporations other than Planned Community Associations.

REP. AARON LING JOHANSON, CHAIRMAN; REP. LISA KITAGAWA, VICE-CHAIR HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE (CPC) — SB2685 SD2 HEARING DATE: APRIL 5, 2022; HEARING TIME: 2:00 P.M. PAGE 2 OF 2 PAGES

The current bill has now been improved greatly with input from additional stakeholders.

We appreciate the efforts of the House Consumer Protection and Commerce Committee to reach out to us for a detailed explanation of the bill.

We request that you pass the bill with the amendments herein.

If you require any additional information, your call is most welcome. I may be contacted via phone: 423-6766 or through e-mail: Steveghi@Gmail.com. Thank you for the opportunity to present this testimony.

Sincerely,

Steve Glanstein

Steve Glanstein, Professional Registered Parliamentarian Chair, HSAP Legislative Committee SG:tbs/

<u>SB-2685-SD-2</u> Submitted on: 4/2/2022 11:19:19 AM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Emery	Associa	Support	Written Testimony Only

Comments:

Support with the amendments of CAI.



April 4, 2022

VIA WEB TRANSMITTAL

Hearing Date: Tuesday, April 5, 2022

Time: 2:00 p.m.

Place: Conference Room 329

Rep. Aaron Ling Johanson, Chair Rep. Lisa Kitagawa, Vice-Chair House Committee on Consumer Protection & Commerce

Re: Hawaii Chapter, Community Associations Institute's

Testimony in Support of SB 2685, SD 2

Dear Chair Johanson, Vice-Chair Kitagawa and Committee members:

I am the Chair of the Legislative Action Committee of the Community Associations Institute, Hawaii Chapter ("CAI-LAC"). We represent the condominium and community association industry and submit this testimony in <u>support of SB 2685, SD 2 with amendments</u>, as addressed in the testimony to be submitted by Steve Glanstein, the Chair of the Hawaii State Association of Parliamentarians, to this Committee prior to the April 5, 2022 hearing.

Based on the foregoing, and my prior direct conversations with Steve Glanstein regarding SB 2685, we respectfully submit that SB 2685 should be passed out of Committee with two (2) amendments. Thank you for your time and consideration.

Sincerely yours,

/s/ R. Laree McGuire R Laree McGuire CAI LAC Hawaii



April 4, 2022

Representative Aaron Ling Johanson, Chair Representative Lisa Kitagawa, Vice-Chair House Committee on Consumer Protection and Commerce

Re: SB 2685, SD2 Relating to Planned Community Associatinos

Testimony in Support with Comments

Hearing Date: Tuesday, April 5, 2022 at 2 p.m.

Dear Chair Johanson, Vice-Chair Kitagawa and Members of the Committee:

Hawaii Council of Community Associations ("HCCA") agrees with the intent and purpose of SB 2685, SD2 and joins in the comments of Hawaii State Association of Parliamentarians on this bill with respect (i) to amending the effective date of the legislation and (ii) leaving the language at page 8, line 13 intact.

Thank you for allowing me to testify on this bill.

Vane Sugimura

President

Submitted on: 4/4/2022 7:19:46 AM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anne Anderson	Individual	Support	Written Testimony Only

Comments:

Dear Representative Johanson, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

I support SB 2685 S.D.2 as it pertains to planned community associations. However, the bill needs one change and the effective date should be changed.

First, the phrase "should be assumed" was changed to "may be assumed" in HRS Section 414D-138(f) in S.D.1. This phrase should be changed back to "should be assumed" for the reasons discussed below.

The point of HRS Section 414D-138 is to provide certainty when computing whether a director is protected from removal under specific sections. The phrase "should be assumed", found in HRS Section 414D-138, clarifies what assumption is to be made. The phrase "may be assumed" offers little clarification, but instead opens the door for different assumptions or no assumptions. This will most certainly lead to conflicts and disputes. Accordingly, I urge the committee to restore the phrase "should be assumed" in HRS Section 414D-138(f).

The title of the bill is "A Bill for an Act Relating to Planned Community Associations." However, the change to HRS Section 414D-138(f) does not pertain to planned community associations. It pertains only the nonprofit corporations. This may open the door for challenge.

The second change that I request is the effective date. Section 7 of the bill provides that the Act shall take effect upon its approval. It would be better to have a deferred effective date, such as January 1, 2023, because an immediate effective date, without advance notice, will create problems and a great deal of confusion for meetings that were "noticed" prior to its effective date, but "held" after its effective date. A January 1, 2023 date will give planned community associations sufficient advance notice to ensure that they have the proper procedures in place and have issued the proper notice for meetings.

Respectfully submitted,

Anne Anderson

Submitted on: 4/4/2022 7:42:14 AM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lance S. Fujisaki	Individual	Support	Written Testimony Only

Comments:

Dear Representative Johanson, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

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Respectfully submitted,

Lance S. Fujisaki

Submitted on: 4/4/2022 10:28:24 AM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chandra Kanemaru	Individual	Support	Written Testimony Only

Comments:

Dear Representative Johanson, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

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Respectfully submitted,

Chandra R. Kanemaru

Submitted on: 4/4/2022 10:35:44 AM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul A. Ireland Koftinow	Individual	Support	Written Testimony Only

Comments:

Dear Representative Johanson, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

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Respectfully submitted,

Paul A. Ireland Koftinow

Submitted on: 4/4/2022 1:08:07 PM

Testimony for CPC on 4/5/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
mary freeman	Individual	Support	Written Testimony Only

Comments:

Dear Representative Johanson, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

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Respectfully submitted,

Mary S. Freeman

Ewa Beach

Submitted on: 4/4/2022 2:54:19 PM Testimony for CPC on 4/5/2022 2:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

Planned Community Associations should have striced Guidlines to Fallow that a enforceable buy the Police or Lawenforement. Some of these Boards act like Dictators witch should not be allowed to Happen!!