STAND. COM. REP. NO. -24

Honolulu, Hawaii

, 2024

FEB 16

RE: H.B. No. 2067

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2067 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Remove from the standard condominium proxy form the option of giving a proxy vote to the board of directors of a condominium association as a whole or to directors present at the meeting; and
- (2) Require a disclosure statement on the standard condominium proxy form informing unit owners that an association may direct elections by electronic, machine, or mail voting.

Your Committee received testimony in support of this measure from the Chamber of Sustainable Commerce; Kokua Council; and numerous individuals. Your Committee received testimony in opposition to this measure from Hawaii First Realty LLC; Hawaii Legislative Action Committee of the Community Associations Institute; Association of Apartment Owners of Honolulu Tower Board of Directors; Hawai'i State Association of Parliamentarians Legislative Committee; Law Offices of Mark K. McKellar, LLLC; Alii

Lana Condo Association Board; Waikoloa Village Association Board of Directors; Law Offices of Philip S. Nerney, LLLC; AOAO Lakeview Sands; and numerous individuals.

Your Committee finds that under existing law, a proxy vote may be allocated to the board of directors of a condominium association as a whole or to the directors present at the meeting. However, this existing practice may be exploited to enable existing officers of the board to continue to sit on the board. This measure removes those options from the standard proxy form.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2067, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

MARK M. NAKASHIMA, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

ASCR 607-24

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 2067	Committe	e Referral:	Date	02-14-	24
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
CPC Members		Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark	M. (C)	_			
2. SAYAMA, Jackson D	. (VC)		-	- · · · · · · · · · · · · · · · · · · ·	
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4. BELATTI, Della Au				### ## ###############################	14 2
5. HASHEM, Mark J.			5.747.247		
J. HABRIEN, Mark J.					
6. HUSSEY-BURDICK,	Natalia				
			ENZY		
7. GATES, Cedric Asueg	ga				
8. LOWEN, Nicole E.					
			and the second		
9. ONISHI, Richard H.K					
10				l de lindis	
10. TAM, Adrian K.					
11. PIERICK, Elijah					
II. I IIIXION, Enjun					
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TOTAL (11)	6			5
The recommendation is:	Adopted				
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					