

SB-2294-SD-1

Submitted on: 2/24/2026 8:14:29 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Golojuch, Sr.	Testifying for Palehua Townhouse Association	Support	Written Testimony Only

Comments:

We strongly support SB2294. Although associations are considered to be self-governing, there are those who don't want to follow state or county laws or ordinances. There are also times when the police or other agencies are needed to help in a situation when the government agency states that the association is self-governing, and they should handle it. Based on this guidance, it seems that associations could allow fireworks or other activities that are restricted or governed by the state or county.

This bill reminds everyone that associations must consider state and county requirements when governing their association.

I've attended trainings where attorneys have stated the order of compliance. Federal, State, and County laws/ordinances take precedence over the association's various documents for self-governance. This bill clarifies this requirement.

Some are against this bill because it might affect their assumed power or livelihood.

Please pass this bill.

Mike Golojuch, Sr, President

HAWAII LEGISLATIVE
ACTION COMMITTEE


community
ASSOCIATIONS INSTITUTE

P.O. Box 976
Honolulu, Hawaii 96808

February 24, 2026

Honorable Karl Rhoads
Honorable Mike Gabbard
Committee on Judiciary
415 South Beretania Street
Honolulu, Hawaii 96813

Re: **SB 2294 SD1 COMMENTS**

Dear Chair Rhoads, Vice Chair Gabbard and Committee Members:

SB 2294 SD1 seems to be based upon the assumption that the requirement to follow the law is not self-evident. The requirement to follow the law is self-evident, though, so SB 2294 SD1 is unnecessary.

Relevant standards for conduct already exist in current law. For example, directors (HRS §514B-106(a)) and managing agents (HRS §514B-132(c)) are fiduciaries. Moreover, "Any person who embezzles or knowingly misapplies association funds received by a managing agent or association shall be guilty of a class C felony." HRS §514B-149(f).

A total of 75 subsidized mediations (10 facilitative/65 evaluative) are reported in the 2025 Annual Report, Real Estate Commission ("Report") (DC 132). Report at 31. The number of condominium units existing in 2025 was 175,509. Report at 32. Rampant lawlessness cannot reasonably be inferred from that objective data.

Still, SB 2294 SD1 is merely superfluous in its current form. As such, CAI simply notes that statutory clutter may sometimes hurt and not help.

CAI Legislative Action Committee, by


Its Chair

SB-2294-SD-1

Submitted on: 2/25/2026 7:25:53 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark McKellar	Testifying for Law Offices of Mark K. McKellar, LLLC	Oppose	Written Testimony Only

Comments:

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, and Members of the Committee:

I oppose S.B. No. 2294 S.D.1.

Lance S. Fujisaki has submitted testimony discussing the problems with S.B. 2294 S.D.1. I join in and concur with the comments made in his testimony. I urge the committee to defer this bill.

Sincerely,

Mark McKellar

SB-2294-SD-1

Submitted on: 2/23/2026 7:50:29 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Raelene Tenno	Individual	Support	Written Testimony Only

Comments:

Support

SB-2294-SD-1

Submitted on: 2/23/2026 7:54:54 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
HCCA	Individual	Support	Written Testimony Only

Comments:

We support HB 2294 SD1

Jane Sugimura, President

Hawaii Council of Community Associations

SB-2294-SD-1

Submitted on: 2/23/2026 8:21:54 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaleo K.	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard, and Members of the Committee,

I write in **strong support** of SB2294.

As a younger homeowner born and raised in Hawai‘i, it was extraordinarily difficult for our family to purchase a home, and we at times considered leaving altogether. We were repeatedly outbid by national corporations, international investors, and military families receiving substantial housing allowances who could offer well above asking price.

When we finally secured a home, it came with a homeowners association. Almost immediately, we began receiving violation notices. The association took photographs of the shoes outside our home and the lights on our property—not for obstruction or safety concerns, but for the color and size. These actions did not improve safety or livability; they created stress and financial strain.

When we later requested a disability-related modification, our request was denied. We were told that if we wished to pursue the matter, the association would retain legal counsel. **For many families, the cost of challenging an HOA effectively places justice out of reach.**

While it is often claimed that associations are not “self-governing,” the lived experience of many homeowners across Hawai‘i suggests otherwise. Without meaningful oversight or accessible recourse, **boards and managing agents can exercise broad authority with little accountability.**

For these reasons, I respectfully request that this measure be amended to **establish an Ombudsman’s Office for Condominium Owners and Associations**. Such an office would provide neutral oversight, education, and accessible dispute resolution for homeowners and boards alike. It would ensure lawful governance, and help restore trust between residents and associations without forcing families into costly litigation.

These issues exacerbate an already dire housing crisis.

As a Native Hawaiian who was born and raised in Hawai‘i, the ability to secure stable housing should not come with barriers that feel insurmountable. Policies that promote transparency, lawful governance, and meaningful oversight are essential to ensuring that local families can remain and thrive here.

Mahalo for the opportunity to testify in support of this important measure.

**The Senate
The Thirty-Third Legislature, 2026
Committee on Judiciary
Friday, February 27, 2026
10:30 a.m.**

To: Senator Karl Rhoads, Chair
Re: SB 2294 SD1, Relating to Common Interest Communities

Aloha Chair Karl Rhoads, Vice-Chair Mike Gabbard, and Members of the Committee,

Mahalo for the opportunity to testify in **support of SB 2294 SD1**.

Some association boards and managing agents invoke the concept of “self-governance” to operate with minimal governmental oversight or accountability, often to the detriment of condominium owners and residents. By asserting that associations are exempt from broader regulatory standards, these entities have, in practice, imposed restrictions on fundamental rights, including freedom of expression and basic due process protections.

This measure would restore appropriate oversight by reinforcing compliance with existing laws and regulations—such as permitting, licensing, and safety requirements—that are already designed to protect the health, safety, and rights of condominium owners and residents. In doing so, it promotes accountability and lawful governance within associations, while ensuring that residents are afforded the same protections expected in other regulated environments.

I respectfully urge you to support SB 2294 SD 1.

Mahalo.

SB-2294-SD-1

Submitted on: 2/24/2026 4:03:10 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lourdes Scheibert	Individual	Support	Written Testimony Only

Comments:

**THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026
COMMITTEE ON JUDICIARY
February 24, 2026**

Senator Karl Rhoads, Chair Senator Mike Gabbard, Vice Chair

Committee members: Stanley Chang, Joy San Buenaventura, Brenton Awa

Re: SB2294 SD1 – Relating to Common Interest Communities

Position: SUPPORT WITH AMENDMENTS

Chair and Members of the Committee:

I respectfully submit testimony in **support of SB2294 SD1 with amendments** to restore the bill’s original language clarifying that condominium associations, boards, and managing agents are subject to **all county ordinances and state and federal laws, rules, and regulations.**

The original version of SB2294 appropriately recognized a simple but essential principle: Common interest communities do not operate outside the law.

While condominium associations are often described as systems of “self-governance,” they are also **private corporations created by statute.** They control millions of dollars in collective owner funds, maintain aging infrastructure, and make decisions affecting life safety, property values, and housing security. With this authority must come clear, unambiguous legal accountability.

The amended version of the bill narrows this principle by stating only that actions taken “pursuant to Chapter 514B” must comply with applicable laws. This narrowing weakens the bill in several important ways:

1. Creates a loophole

Associations or managing agents may argue that certain conduct is not taken “pursuant to Chapter 514B” and therefore outside the scope of the statute.

2. **Undermines consumer expectations**

Unit owners reasonably assume their association and management company must comply with building codes, safety regulations, fair housing laws, lending standards, and other applicable laws at all times — not only when acting under a specific chapter.

3. **Weakens enforcement and oversight**

When the statute is unclear, regulators, ombudsman offices, and courts face greater difficulty enforcing compliance.

The original language did not create new obligations. It simply **affirmed existing law** and removed any doubt that condominium governance does not supersede public law.

I respectfully urge this Committee to amend SB2294 SD1 to restore language stating that:

Condominium associations, boards, and managing agents are subject to and must comply with all county ordinances and state and federal laws, rules, and regulations, including mortgage lending requirements.

Restoring this language strengthens transparency, accountability, and consumer protection while honoring the Legislature's long-standing intent to balance self-governance with the rule of law.

Thank you for the opportunity to testify.

Respectfully submitted,
Lourdes Scheibert
Condominium Unit Owner

SB-2294-SD-1

Submitted on: 2/24/2026 5:03:48 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Joe M Taylor	Individual	Oppose	Written Testimony Only

Comments:

This is a bad bill. I oppose it.

Joe Taylor

SB-2294-SD-1

Submitted on: 2/24/2026 6:39:49 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

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

Comments:

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, and Members of the Committee:

I oppose S.B. No. 2294 S.D.1.

SECTION 1 of this bill states that the Legislature “finds that condominium associations, led by boards of directors and overseen by managing agents, primarily operate under principles of self-governance and self-enforcement.” This finding is stated without any supporting facts or data and is simply wrong. Condominium associations do not operate under self-governance and self-enforcement. They operate under the extensive rules, regulations, and mandates of HRS Chapter 514B and other laws as well as declarations of condominium property regimes and bylaws.

The language found in SECTION 2 that states that “provided that any action by an association, board, or managing agent pursuant to this chapter shall comply with any applicable laws, rules, and regulations” is unnecessary and problematic as it could be construed as requiring condominium associations and their unpaid, volunteer board members, as well as their managing agents, to examine **all** laws, rules, and regulations to determine which apply to them or their actions and which do not. This is an impossible task given that an examination of all laws, rules, and regulations would span thousands, if not hundreds of thousands or even millions of pages. If the Legislature is concerned about compliance with a particular law, rule, or regulation, then the best and most effective means of obtaining compliance is to specifically refer to the law, rule, or regulation.

Lance S. Fujisaki has submitted testimony discussing the problems with S.B. 2294 S.D.1. I join in and concur with the comments made in his testimony. I urge the committee to defer this bill.

Sincerely,

M. Anne Anderson

SB-2294-SD-1

Submitted on: 2/24/2026 7:12:22 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carol Walker	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. As a long time serving board member, this bill would impose impossible demands on volunteer board members and discourage anyone from serving.

Carol Walker

SB-2294-SD-1

Submitted on: 2/24/2026 7:14:01 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
John Toalson	Individual	Oppose	Written Testimony Only

Comments:

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, and Members of the Committee:

I oppose S.B. 2294 for the reasons stated in Lance S. Fujisaki's testimony.

Thank you,

John Toalson

SB-2294-SD-1

Submitted on: 2/25/2026 9:33:34 AM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Julie Wassel	Individual	Oppose	Written Testimony Only

Comments:

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, and Members of the Committee:

I oppose S.B. No. 2294 S.D.1.

SECTION 1 of this bill states that the Legislature “finds that condominium associations, led by boards of directors and overseen by managing agents, primarily operate under principles of self-governance and self-enforcement.” This finding is stated without any supporting facts or data and is simply wrong. Condominium associations do not operate under self-governance and self-enforcement. They operate under the extensive rules, regulations, and mandates of HRS Chapter 514B and other laws as well as declarations of condominium property regimes and bylaws.

The language found in SECTION 2 that states that “provided that any action by an association, board, or managing agent pursuant to this chapter shall comply with any applicable laws, rules, and regulations” is unnecessary and problematic as it could be construed as requiring condominium associations and their unpaid, volunteer board members, as well as their managing agents, to examine all laws, rules, and regulations to determine which apply to them or their actions and which do not. This is an impossible task given that an examination of all laws, rules, and regulations would span thousands, if not hundreds of thousands or even millions of pages. If the Legislature is concerned about compliance with a particular law, rule, or regulation, then the best and most effective means of obtaining compliance is to specifically refer to the law, rule, or regulation.

Respectfully submitted

Julie Wassel

SB-2294-SD-1

Submitted on: 2/24/2026 8:19:39 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Laurence Chapman	Individual	Oppose	Written Testimony Only

Comments:

I oppose the bill and join in the testimony of Lance S. Fujisaki

SB-2294-SD-1

Submitted on: 2/25/2026 10:38:30 AM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Oppose	Written Testimony Only

Comments:

I am an owner occupant of a Honolulu condominium. Please accept this as testimony in opposition to SB2294. Condominium associations are not self governing. They are governed by HRS Chapter 514B with almost 200 sections. They are governed by their bylaws and declarations written by developers and amended by the owners. They are also governed by the House Rules. And the list goes on.

All board members of condos are volunteers. This bill would require they hire experts to advise them. This bill appears to impose hardships on the volunteer boards who must navigate how conflicts between the declaration or bylaws or county ordinances and state and federal law, rules and regulations, including mortgage lending requirements and how to resolve them. It would, however, create a new funding source for attorneys.

Please defer this bill.

Lynne Matusow

SB-2294-SD-1

Submitted on: 2/25/2026 12:26:37 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeff Sadino	Individual	Support	Written Testimony Only

Comments:

I support this Bill. Too often, Boards, Managing Agents, and industry attorneys do not follow the Governing Documents or HRS. Passing this Bill will be a step in the right direction to reducing the excessive disregarding of the law.

Thank you,

Jeff Sadino

SB-2294-SD-1

Submitted on: 2/25/2026 1:34:30 PM

Testimony for JDC on 2/27/2026 10:30:00 AM

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

Comments:

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, and Members of the Committee:

I oppose S.B. No. 2294 S.D.1.

SECTION 1 of this bill states that the Legislature “finds that condominium associations, led by boards of directors and overseen by managing agents, primarily operate under principles of self-governance and self-enforcement.” Condominium associations do not operate under self-governance and self-enforcement. They operate under the extensive rules, regulations, and mandates of HRS Chapter 514B and other laws as well as declarations of condominium property regimes and bylaws. As members of the State Legislature you should be aware of that.

If there is concern about compliance with a particular law, rule, or regulation, then the best and most effective means of obtaining compliance is to specifically refer to the law, rule, or regulation.

Mary Freeman

Ewa Beach

LATE

Senators,

I am opposed to this bill S.D. 2294, S.D.1. Presently as an Association President, that serves WITHOUT any compensation for my time, and efforts, I take issue with the mistaken notion that associations “operate under the principles of SELF-GOVERNANCE and SELF-ENFORCEMENT. On the contrary, past Legislatures have made certain that Association Board of Directors (BOD) and it’s officers, are required to strictly follow the State of Hawaii Statues, and the Association bylaws, covenants and other governing documents, that absolutely restrict and control what little power BOD’s are given to protect, maintain and manage the common elements and facilities, including equipment and buildings of it’s owners properties. The EXISTING laws on the books already make it very clear that we who serve, are fiduciary responsible for carrying out EXACTLY what our governing legal documents allow the BOD to do.

This bill unnecessarily burdens all Associations to comply with ALL local, state and federal laws, and regulations, not only the State of Hawaii HRS chapter 514B. ALL OF THEM. Is the Legislature suggesting that my time and efforts be spent now trying to comply with every single law on the books, besides 514D? And is the Legislature suggesting that Boards hire teams of high paid and compensated managing agents, attorneys and corporations, to insure compliance with every law on the books, regardless of source, besides that which specifically pertains to Associations? This proposed bill is not only unnecessary, but it also makes anyone who even contemplates serving on an Association BOD conclude it is a waste of personal time to serve! If there is any specific issue the Legislature has concerning a SPECIFIC law that Associations should follow, identify and address the specific issue and not make a blanket open statement. I fully oppose this bill in it’s entirety – it is a blatant over-reach and unnecessarily burdens BOD’s that already obligated to comply with HRS 514B.