

HB-1940

Submitted on: 2/21/2026 12:15:32 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Our association supports HB1940. Please pass

Mike Golojuch, Sr, President

**COMMUNITY ASSOCIATIONS INSTITUTE
LEGISLATIVE ACTION COMMITTEE**

P.O. Box 976
Honolulu, Hawaii 96808

February 21, 2026

Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair
Committee on Consumer Protection and Commerce
415 South Beretania Street Honolulu, Hawaii
96813

Re: **HB1940 STRONGLY OPPOSE**

Dear Chair Matayoshi, Vice Chair Grandinetti, and Committee Members:

CAI opposes HB 1940. This Bill will adversely affect condominiums and result in immediate massive maintenance fee increases and impact resales of condominiums.

First, it provides for publication of the internal documents of a condominium that is a private membership organization.

The public is not entitled to the internal documents of condominium associations. Only members are so entitled.

HB 1940 undervalues privacy interests and ignores additional harms and liability from inappropriate public disclosure. The administrative and legal requirements and consequences of a program of this sort are poorly considered. A one-size-fits-all approach would be inappropriate in all events. Owners are already entitled to free electronic copies of the governing documents of their own association. This right is enforceable and a new bureaucracy is unneeded. Most managing agents already provide a fee document website that includes the documents required by law.

HB1940 ignores the fact that of Hawaii's approximate 1,800 active condominiums, approximately 900 are smaller than 50 units and do not have nor need a website. It would be an additional unnecessary expense paid through higher maintenance fees. Then of course, there is the cost to accurately and timely maintain the website. Current managing agent contracts do not require the agent to provide this service again, raising operating costs and maintenance fees.

The scope of the proposed undertaking should not be underestimated. Every change in every association would have to be reported every day. First of all, why? No part of a condominium association's mission is to inform the public. And there are bound to be delays, errors, omissions, corrections; some of which might be the repository's fault. Who is liable, to whom, to what extent, for what? Based upon what standard? Imagine the new staff requirements.

The lengthy list of ~~proposed~~ information includes non-association documents that are a part of a resale transaction. Sellers and Buyer enter into purchase agreements with specified terms and conditions. Neither the association nor the managing agent are a party to the purchase contract. Section M of the purchase agreement provides that the Seller will provide certain documents to the Buyer within ten days. Sellers and Buyers also enter into escrow agreements in essence to ensure the money is all square at closing.

- RR105c. This form is a copyrighted Hawaii Association of Realtor disclosure form. Associations do not maintain it or use it as it has no useful value to the association. The form must be completed in ten days for a specific unit.
- Statement of Account. Escrow companies have their own forms to validate payoff balances, typically to include a preliminary report and final confirmation one day before closing. Associations typically through the managing agent as calling the bank the day before closing to verify for closing that the Seller did not stop payment on the last check (happens routinely) or another charge has been made against the unit. These forms are not used by the association in its regular duties.
- Other Forms. There are numerous other custom forms requested to include a Lender Questionnaire that expands to information required beyond the RR105c. Or a foreclosure commissioner questionnaire.

For my thirty years as a broker these resale costs have been charged to the Seller or Buyer. Condominium associations do not require or maintain these forms in the ordinary course of business. Someone will have to pay for the additional work and potential liability. Managing agent contracts do not currently provide for this service as it is currently paid by the parties that receive the benefit, the Seller and Buyer. Should all the condominium owners pay for this service, which only benefits the parties to the contract? Maintenance fees will go up again. This resale fee payment is the standard throughout the USA where resale costs are charged to the Sellers and Buyers.

Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair
February 26, 2026
Page 3 of 3

HB1940 will create unreasonable and onerous requirements that will be administratively burdensome and enable vexatious litigation of no real merit. THE RESULTS WILL BE MASSIVE MAINTENANCE FEE INCREASES.

Please, therefore, defer HB 1940.

CAI Legislative Action Committee, by
RICHARD EMERY

February 24, 2026

The Honorable Scot Z. Matayoshi, Chair

House Committee on Consumer Protection & Commerce
State Capitol, Conference Room 329 & Videoconference

RE: House Bill 1940, Relating to Condominium Associations

HEARING: Tuesday, February 24, 2026, at 2:00 p.m.

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports the intent** and offers amendments to House Bill 1940 which requires a condominium association to make available on an internet site the association's general ledgers, project information form (RR-105C), and statement of accounts at no cost to a unit owner or the unit owner's authorized agent. Reduces the reasonable fee a condominium association may charge to provide copies of association documents from \$1 per page to 75 cents per page.

In *Caven, Jr. v. Certified Management, Inc.*¹ the court held that the Project Information Form (RR-105C) and Statement of Accounts are required resale disclosures under existing Hawaii law and that when a managing agent makes these documents available for download through an internet site, they must be provided at no cost to the unit owner or the owner's authorized agent, regardless of whether the documents are regularly maintained by the association or the managing agent.

The Project Information Form (RR-105C) is a resale disclosure document that provides essential information about the condominium association and the project. It is used by condominium associations, cooperatives, planned unit developments, and other homeowner associations to provide important information, including general project information; ownership interests; pending or ongoing litigation, mediation or arbitration; insurance coverage; and financial information such as maintenance fees and special assessments. This information, together with other condominium documents, helps buyers make informed decisions and is relied upon by buyers and lenders to evaluate the property, obtain loan approval, and move transactions forward. Because of the importance of this information, HAR worked with condominium associations, lenders, and other stakeholders to help create the RR-105C and continuously update it as needed.

¹ *Caven, Jr. v. Certified Management, Inc. dba Associa Hawaii*. (September 5, 2025). No. SCWC-19-0000047, 575 P.3d 491. <https://law.justia.com/cases/hawaii/supreme-court/2025/scwc-19-0000047.html>

However, because the RR-105C is an HAR copyrighted form, and while many condominium and homeowner associations use it, some associations choose instead to create and utilize their own project information forms. As such, HAR respectfully requests amendments to remove the specific reference to the RR-105C and create a new definition of "project information form".

Page 2, line 5:

(2) Project information form (~~RR-105C~~); and

Page 2, lines 16-18:

SECTION 3: Section 514B-3, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

"Project Information Form" means a disclosure form prepared or filled out by the association or its managing agent in connection with the sale of a condominium unit that provides project information necessary to facilitate a transaction.

SECTION ~~34~~. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION ~~45~~. This Act shall take effect upon its approval.

Mahalo for the opportunity to provide testimony on this measure.

HB-1940

Submitted on: 2/23/2026 1:03:57 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane Sugimura	Hawaii Council of Community Associations	Support	Written Testimony Only

Comments:

Hawaii Council of Community Associations supports parts of HB1940.

This will allow easier access to certain documents.

The RR105c is a document that is valid up to the time it has been completed and therefore, should not be posted online.

Thank you for allowing this testimony.

Jane Sugimura, President

HB-1940

Submitted on: 2/21/2026 1:09:07 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leimomi Khan	Individual	Support	Written Testimony Only

Comments:

Support

HB-1940

Submitted on: 2/22/2026 4:57:17 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

I strongly support making point (3) available online at no cost. I once requested my account statement from Hawaiiiana and it took about **72 DAYS** and **13** email requests before they finally provided it to me, and only because my 13th request was on a RICO form, and then they provided my account statement to me within two days.

I am not familiar enough with form RR-105C to have an opinion, but from what I do know, it probably should be easily accessible to owners.

I think "General ledgers" is a bit vague. I have requested general ledgers from both Hawaiiiana and Associa probably 4 or 5 different times, and every time I get something different sent back to me.

Thank you for your consideration,

Jeff Sadino

HB-1940

Submitted on: 2/22/2026 7:26:47 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sheldon S Y Lee	Individual	Support	Written Testimony Only

Comments:

Sheldon S Y Lee

My testimony re HB1940

February 24, 2026

I support this bill as a step in the right direction, although I do not believe that it would be a cure-all for the ills of condominiums in Hawaii.

Suppose a board member gives out a construction contract to a contractor, and the board member has a conflict of interest or takes kickbacks:

- - Firstly, HRS 514B-105 states that before a board can borrow money for repairs or improvements, it must obtain the approval of fifty percent of the owners. At some associations, this percentage might be higher. Nevertheless, the law is often disregarded.
 - A member at large wishes to find out more about the construction job.
 - The information posted on the website is incomplete or inaccurate.
 - Few documents were posted on the website for our building. The financial records and minutes of meetings we received said next to nothing.
 - Even if members at large were able to examine building contracts, most owners do not work in construction.
 - Owners should be able to share job proposals with their own experts. What work will be done? Is it necessary? Will the costs be reasonable?
 - After the work is done, a qualified person should confirm that it was done correctly and completely, according to the contract.

I agree that owners should not be prevented from obtaining copies of records due to exorbitant fees or delay. If thorough, accurate and up-to-date records were posted on a website, the managing agent would have less of a burden, if many owners requested copies.

Thank you for having concern for Hawaii's condominium owners.

HB-1940

Submitted on: 2/22/2026 7:43:59 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. This bill will impose sweeping new mandates on condominium associations that will infringe upon unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

Respectfully submitted,

Julie Wassel

HB-1940

Submitted on: 2/22/2026 10:05:52 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

I am the owner occupant of a condo in Honolulu and a member of its board. I purchased it in the late '80s. This bill is a travesty and I strongly oppose it. If your intention is to destroy condo living, you sure did it with this terrible bill. I had never heard of RR-105C so I did some research. Among the appalling things I learned is it is estimated that compliance with this bill would increase common expense assessments by at least \$100 per unit per month. That is \$1,200 a year. Try explaining that to owners who are already complaining about maintenance fee increases which are rising dramatically because of being added to a flood zone and having to buy flood insurance, about other insurance costs going through the roof, about reserve projects coming in at higher bids as construction costs increase. Where is the money coming from? Many condo owners are on fixed income. This bill will force them to sell their units, possibly at a loss, if they can find a buyer stupid enough to have to pony up the excess costs.

I could go on and on but Paul Ireland Kofinow has submitted excellent testimony and I concur with his excellent testimony and I urge you to defer this bill today.

Lynne Matusow

HB-1940

Submitted on: 2/23/2026 12:14:42 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. This bill will impose sweeping new mandates on condominium associations that will infringe upon unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

Joe Taylor

HB-1940

Submitted on: 2/23/2026 12:55:51 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Glanstein	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. It is blatantly obvious that somebody has a problem with obtaining information from their condominium association or managing agent. HRS §514B-154 and HRS §514B-154.5 contain detailed lists of information available to owners. HRS §514B-69 provides for civil and criminal penalties for failure to comply. Additionally, the Real Estate Commission has fined management companies for failure to provide appropriate information on a timely basis. That should be more than enough. Sweeping legislation without a careful analysis of its impact is not a solution. Please defer this bill.

Testimony on the following: HB1940

Committee on Consumer Protection & Commerce

Relating to: RELATING TO CONDOMINIUM ASSOCIATIONS, Documents

February 24, 2026

2:00pm

HB1940 requires a condominium association to make available on an internet site the association's general ledgers, project information form (RR-105C), and statement of accounts at no cost to a unit owner or the unit owner's authorized agent. Reduces the reasonable fee a condominium association may charge to provide copies of association documents from \$1 per page to 75 cents per page.

I have been a condominium owner since 1990 and over the years have served on three separate condominium association boards. I am further licensed as a mortgage loan originator, and my professional duties frequently require the examination and reliance upon condominium documentation, including the RR105C.

The RR105C is a document that requires current information that includes:

Property Description

Property name, TMK, Address

Managing Agent Info

Managing Agent name and services provided

General and Legal

Total # of apartments / % sold / % owner occupied
Foreclosure / delinquency information
Leasehold vs. Fee Simple
Legal / arbitration / mediation
More than 10% ownership by one party
Ownership / usage of common elements
Type of project / usage & restrictions

Insurance Information

Insurance Agent name and contact information
Flood / Tsunami / Hazard zone information

Financial Information

What is included in maintenance fees
Approval of maintenance fee increase, if any
Existing special assessments / loans

Property Condition

Existence of Reserve Study
On-Site Manager name and contact info

The **General and Legal, Financial and Property Condition Information** questions require up to date information. They can change from month to month.

This information is only valid at the time it is completed and should not be posted online.

As a unit owner the "Statement of Account" should be accessible only by the unit owner and not publicly published on the internet site. My condo uses TownSquare and it appears they recently upgraded or enhanced to show the transaction activity.

Prior to this knowledge, in August 2025, I requested a copy of maintenance fee account. I've sent a 2nd request in December 2025 and will be issuing a 3rd request.

Why can't I just use the TownSquare version? Attached is the mouse click version to print the page. I can use the "snipping tool" (attached). I have a large monitor and it can only capture 3 transactions at a time. Having a copy of a statement of account version is much easier to read.

I do support the website posting of the General Ledger only. The other Financial documents can expose the Association to use by unscrupulous individuals.

Thank you for this opportunity to submit testimony on HB 1940.

Raelene Tenno

Condominium Unit owner since 1990

Mortgage Loan Originator NMLS ID 348166



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Search in TownSq Community



26ca6439bd3b7b49ff7d86/home)

Community

Home(/w/6026ca6439

Pet Registry (/w/6026ca6439 Registryregistry)

Communication

Messages (/w/6026ca6439 discussion)

News & Events (/w/6026ca6439)

Surveys (/w/6026ca6439)

Requests (/w/6026ca6439)

Tools

Reservations

Documents (/w/6026ca6439 v2)

Administration

Assignments (/w/6026ca6439)

 Pokai Bay Beach Cabanas Address 85-933 BAYVIEW ST #316	
\$ _____	16.02

mouse click to print

Community

- Home
- Pet Registry
- Communication
 - Messages
 - News & Events
 - Surveys
 - Requests
- Tools
- Reservations
- Documents
- Administration
- Assignments

Pokai Bay Beach Cabanas
Address: 85-933 BAYVIEW ST #316
\$ 1,000.00

Recurring Charges

Make a Payment

Month	Charge	Amount	Description	Amount
Feb 2026				-\$483.98
1st	Charge	705.326976	MAINTENANCE FEES	\$500
Jan 2026				-\$983.98
1st	Charge	705.326976	MAINTENANCE FEES	\$500
Dec 2025				-\$483.98
1st	Charge	705.326976	MAINTENANCE FEES	\$450
Nov 2025				-\$933.98

Snip tool version

HB-1940

Submitted on: 2/23/2026 7:21:35 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

Imposing additional statutory duties upon associations without adequate justification is not in anyone's interest. H.B. No. 1947 imposes administrative burdens on associations that will be difficult and expensive to discharge, and very likely, will expose associations to increased claims for violations of those statutory duties. This will lead to increased insurance premiums resulting from increased claims, and ultimately, increases in maintenance fees to cover the overhead and increased insurance premiums. Ultimately, unit owners will be required to fund the direct and indirect costs of this bill.

H.B. No. 1947 does not explain why it is necessary to make such major changes in the law. Before imposing additional duties on associations, the Legislature should be sure that the disclosure requirements will serve a public need. The text in the bill does not establish such a public need.

Thank you,

Lance Fujisaki

HB-1940

Submitted on: 2/23/2026 8:17:16 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anne Anderson	Individual	Oppose	Remotely Via Zoom

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. This bill will impose sweeping new mandates on condominium associations that will infringe upon unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

Sincerely,

M. Anne Anderson

HB-1940

Submitted on: 2/23/2026 8:23:07 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

I strongly oppose this bill. It will be a nightmare for associations if passed.

Carol Walker

Testimony in Opposition to HB 1940 Relating to Condominium Associations

Chair, Vice Chair, and Members of the Committee,

My name is Kanani Kaopua, and I submit this testimony in opposition to HB 1940 from the perspective of a senior community portfolio manager who works directly with condominium boards, volunteers, and unit owners on a daily basis.

While the intent of transparency and owner access is understandable, HB 1940 overlooks the real world operational and financial impacts this bill would impose on associations and ultimately the owners who fund them.

Increased Administrative Burden with No Offset

HB 1940 reduces the allowable per page fee for records and expands expectations for document availability, including mandatory no cost online access to certain financial records. In practice, this does not eliminate costs. It shifts them directly to the association's operating budget.

Preparing, organizing, reviewing, and posting records still requires staff time, management oversight, and in many cases professional review to ensure accuracy and context. These are not theoretical costs. They translate into higher management fees, increased administrative charges, or reallocation of limited resources away from essential property operations.

Risk of Misinterpretation and Misuse of Financial Information

Documents such as general ledgers and statements of account are working financial records, not consumer friendly summaries. Without context, they are easily misunderstood, which leads to confusion, unnecessary disputes, and increased tension between owners and volunteer boards.

As managers, we already spend significant time explaining financials to owners. This bill would increase that workload while providing no guidance on how raw financial data should be interpreted.

One Size Fits All Approach Does Not Reflect Association Reality

Condominium associations in Hawaii range from small, self managed communities to large, complex projects. HB 1940 applies the same requirements to all associations regardless of size, staffing, or resources.

Smaller associations in particular will struggle to comply without raising maintenance fees. There has been no demonstrated need showing that current law is failing owners or that this change addresses a systemic problem.

Owners Already Have Meaningful Access

Under existing law, owners already have the right to review association records and obtain electronic copies upon request. Boards and managing agents routinely comply with these requests in a controlled, accurate, and responsible manner.

HB 1940 does not meaningfully expand owner rights. It creates new administrative mandates that increase cost and risk without clear benefit.

Unintended Consequences

From an operational standpoint, this bill will increase administrative workload for managers and board volunteers, drive up association expenses, encourage excessive or duplicative document requests, and increase disputes over interpretation rather than improving transparency.

These consequences will be borne not by boards or managers, but by the unit owners themselves through increased fees and reduced focus on core property management responsibilities.

Conclusion

Transparency is important, but it must be balanced with practicality, cost, and the realities of managing community associations. HB 1940 does not strike that balance.

For these reasons, I respectfully urge the Committee to defer or reject HB 1940.

Thank you for the opportunity to provide testimony.

Respectfully submitted,
Kanani Kaopua, PCAM
Senior Vice President/Sr. Community Portfolio Manager
Direct: 808-539-9501
Email: kananik@hawaiianprop.com

HB-1940

Submitted on: 2/23/2026 9:34:33 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Loretero	Individual	Support	Written Testimony Only

Comments:

Chair, Vice Chair, and Members of the Committee:

I am writing in support of HB1940, which improves transparency and affordability of access to condominium association financial records for unit owners.

Requiring associations to provide key financial documents online at no cost is a reasonable modernization. Many associations already maintain owner portals or websites, and expanding access to include general ledgers, account statements, and required disclosure forms will promote owner understanding and trust in association governance. Owners ultimately fund the association and should be able to review its financial information without unnecessary barriers or fees.

Reducing the allowable per-page copy charge is also appropriate. While physical copies may still be requested in some cases, encouraging digital access benefits both associations and owners by lowering administrative costs, reducing staff time, and minimizing disputes over records access.

Transparency is one of the most effective ways to prevent misunderstandings, build confidence in board decisions, and support responsible financial management. HB1940 moves condominium governance in Hawaii toward modern, accessible practices that benefit communities statewide.

For these reasons, I respectfully urge the Committee to pass HB1940.

Thank you for the opportunity to testify.

Respectfully submitted,
Steven Loretero

**House of Representatives
The Thirty-Third Legislature, 2026
Committee on Consumer Protection and Commerce
Tuesday, February 24, 2026
2:00 p.m.**

To: Representative Scot Z. Matayoshi, Chair
Re: HB1940, Relating to Condominium Associations

Aloha Chair Scot Matayoshi, Vice-Chair Tina Nakada Grandinetti, and Members of the Committee,

Mahalo for the opportunity to **strongly oppose HB1940** because it dismantles pro-consumer achievements made by Act 161 in LY2025:

“Requires condominium associations to provide electronic copies of their governing documents, as amended or restated, to unit owners or their authorized agents, upon request, at no cost. Repeals the authority of condominium associations to charge a reasonable fee for administrative costs associated with the handling of a request for association documents.” (source: https://www.capitol.hawaii.gov/session/archives/measure_indiv_Archives.aspx?billtype=SB&billnumber=385&year=2025)

In 2025, the conference committee composed of both House and Senate members concluded:

“Your Committee on Conference finds that existing laws regulating condominiums are based upon principles of self-governance, owner enforcement, alternative dispute resolution, and limited government intervention. Your Committee on Conference further finds that condominium unit owners' access to condominium associations' governing documents is essential for condominium unit owners to effectively govern themselves and enforce the covenants, conditions, and restrictions of their associations. Existing law, however, authorizes condominium associations to charge a fee to provide a copy of governing documents to unit owners, which can create barriers for owners. Providing copies electronically is a reasonable solution to promote transparency and accessibility.” (source: https://www.capitol.hawaii.gov/sessions/session2025/CommReports/SB385_CD1_CCR24.htm)

I respectfully suggest the following amendments (in bold font) to HB1940:

SECTION 1. Section 514B-154, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

"(j) Any fee charged to a member to obtain copies of association records under this section shall be reasonable; provided that a reasonable fee shall include administrative and duplicating costs and shall not exceed [~~\$1~~] 75 cents per **printed** page, or portion thereof, except the fee for **printed** pages exceeding eight and one-half inches by fourteen inches may exceed [~~\$1~~] 75 cents per **printed** page."

SECTION 2. Section 514B-154.5, Hawaii Revised Statutes, is amended by amending subsections (e) and (f) to read as follows:

"(e) An association may comply with this section or section 514B-152, 514B-153, or 514B-154 by making the required documents, records, and information available to unit owners or owners' authorized agents for download through an internet site, at the option of each unit owner or owner's authorized agent and at no cost to the unit owner or owner's authorized agent[.]; provided that an association shall make the following documents, or their successor documents, available through an internet site at no cost to unit owners or unit owners' authorized agents:

- (1) Evidence of and information on fidelity bond coverage;
- (2) Names and positions of the officers of the association with contact information;
- (3) The name and contact information of the association's managing agent, if any;
- (4) The name and contact information for an emergency contact for the association that is different from the managing agent;
- (5) The street and the postal address of the condominium;
- (6) An accurate copy of:
 - a. The articles of incorporation, if any, declaration, bylaws, and amendments thereto;
 - b. The regulations, resolutions, and house rules, if any;
 - c. Master lease, if any;
 - d. A sample original conveyance document;
 - e. All public reports and any amendments thereto;
 - f. All contracts, leases, or other agreements entered into by the board to which the association is a party or under which the association or unit owners have obligations or liabilities;
 - g. Minutes of all meetings of the association, pursuant to section 514B-122, and its board, pursuant to section 514B-126 for the immediately preceding twelve months, ;

- h. All policies of insurance of the association, including current policies and policies of the association for the immediately preceding ten years;
- i. Most recent reserve study;
- j. A list of the association's planned capital expenditures, if any, from the date of registration through June 30 of the following year;
- k. The association's most recent audited financial statement;
- l. The association's most recently adopted budget with any monthly or recurring association fees and any applicable current or approved special assessments specifically outlined; and
- m. All reports issued within the preceding ten years on the structural status of each property owned, operated, or governed by the association; and

(7) A description of the location where all building permits for work in common elements, which shall be posted during construction.

~~(1) General ledgers;~~

~~(2)~~ **(8)** Project information form (RR-105C); and

~~(3) Statement of account.~~

(f) Any fee charged to a unit owner or owner's authorized agent to obtain copies of the association's documents, records, and information, whether maintained, kept, or required to be provided pursuant to this section or section 514B-152, 514B-153, or 514B-154, shall be reasonable; provided that a reasonable fee shall include administrative and duplicating costs and shall not exceed [~~\$1~~] 75 cents per **printed** page, or portion thereof, except that the fee for **printed** pages exceeding eight and one-half inches by fourteen inches may exceed [~~\$1~~] 75 cents per **printed** page."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

Mahalo for the opportunity to testify in opposition to HB1940.

HB-1940

Submitted on: 2/23/2026 11:34:23 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Philip Nerney	Individual	Oppose	Written Testimony Only

Comments:

HB 1940 would cause harm and expense to condominium owners, solely for the benefit of non-owners. Please defer it.

The expert analysis provided by Paul Ireland Koftinow demonstrates that, regardless of any general inclination regarding the proper scope of condominium document disclosure, HB 1940 would only cause harm.

HB-1940

Submitted on: 2/23/2026 11:53:30 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I strongly oppose H.B. No. 1940. This bill will impose new mandates on condominium associations that will infringe on unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

Sincerely,

Mark McKellar

HB-1940

Submitted on: 2/23/2026 12:14:17 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. This bill will impose more new mandates on condominium associations that will infringe upon unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I urge the Committee to defer this bill.

Mary Freeman

Ewa Beach

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HB-1940

Submitted on: 2/23/2026 2:34:38 PM

Testimony for CPC on 2/24/2026 2:00:00 PM

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

Comments:

Dear Representative Matayoshi, Chair, Representative Grandinetti, Vice Chair, and Members of the Committee:

I oppose H.B. No. 1940. This bill will impose sweeping new mandates on condominium associations that will infringe upon unit owner privacy, create the risk of the misuse of personal financial data, and impose significant and unnecessary duties, burdens, and costs on condominium associations of all sizes. I join in the testimony of Paul Ireland Koftinow. I agree with the points he has made in his testimony and urge the Committee to defer this bill.

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HB-1940

Submitted on: 2/24/2026 6:42:27 AM

Testimony for CPC on 2/24/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gregory Misakian	Individual	Comments	Remotely Via Zoom

Comments:

While I support the intent of HB1940, this bill needs to be amended to properly provide for all documents that should be available to unit owners at no cost electronically and on an established website. As written, it does not list the documents that all owners or prospective owners have a right to see.

I hope to enlighten the Committee with further testimony via Zoom.

Gregory Misakian

Paul A. Ireland Koftinow
4348 Waiialae Avenue #292
Honolulu, Hawai'i 96821

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RE: H.B. 1940
Testimony in Opposition

Dear Representative Scot Z. Matayoshi, Chair, Representative Tina Nakada Grandinetti, Vice Chair, and Members of the Committee:

I respectfully submit this testimony in **strong opposition** to H.B. No. 1940.

While transparency and access to information for condominium unit owners are important principles, H.B. 1940, as drafted, goes far beyond existing law and recent judicial interpretation. The bill would impose sweeping new mandates on condominium associations that will infringe upon unit owner privacy, create serious risk of harassment and misuse of personal financial data, and impose significant and unnecessary burdens and costs on associations of all sizes. To the extent that H.B. 1940 is intended to codify the holding in the Hawai'i Supreme Court's recent unpublished decision, Caven v. Certified Management, Inc., SCWC-19-0000047 (Sept. 5, 2025), H.B. 1940 dramatically expands the statutory duties of associations beyond the holding in that case.

For these reasons, H.B. 1940 should be deferred.

I. H.B. 1940 CREATES A SERIOUS AND UNNECESSARY INVASION OF UNIT OWNER PRIVACY

H.B. 1940 would require associations to make general ledgers available through an internet site at no cost to all unit owners. General ledgers typically reflect all association transactions, including assessment payments, delinquencies, late fees, and unit-specific financial activity. The bill contains no safeguards, allowances for redactions, or other limitations to prevent disclosure of personally identifiable financial information belonging to individual unit owners.

Similarly, the bill requires disclosure of statements of accounts without limitation. The bill does not define "statements of accounts," therefore, this term is subject to interpretation. Condominium associations should not be required to guess at the meaning of statutory language, particularly where noncompliance could expose associations to liability. Clear definitions are essential to ensure consistent compliance and to avoid unnecessary disputes and litigation

For purposes of this testimony, I assume that “statement of account” refers to the statement that managing agents provide to escrow, once when escrow is opened so that the escrow agent has an estimate of the associations’ charges that need to be accounted for during the transaction, and upon request again right before the sale of the unit closes so that escrow ensures it has the most accurate, up-to-date information on the seller’s account.

Associations maintain separate accounts for each unit, reflecting individual balances and payment histories. A condominium project with 400 units will require the Association to prepare 400 separate statements of account. Requiring such statements to be made available to all unit owners would compel disclosure of private financial information that has historically been treated as confidential between the association and each individual owner. Disclosure of such information on a public website may expose associations to claims for invasion of privacy and other torts, among other claims.

The bill is also silent as to public access controls, data security, or restrictions on redistribution. While this measure requires that financial records be placed online, this measure has zero meaningful protections to consumers that will prevent misuse, harassment, or other unacceptable conduct.

II. H.B. 1940 IMPOSES MAJOR NEW COSTS ON ALL ASSOCIATIONS AND UNIT OWNERS AND EXPOSES ASSOCIATIONS TO POTENTIAL LIABILITY

Unlike existing law, which requires online disclosure of certain regularly maintained records only if an association already uses an internet site, H.B. 1940 would require every association to maintain an internet site capable of hosting sensitive financial information, and providing for the unrestricted disclosure of such records. This mandate would apply regardless of the size, budget, or management structure of the association.

The bill also requires ongoing maintenance and disclosure of Form RR105c. This form is a seven-page, time-sensitive disclosure document used by the Hawai‘i Association of Realtors and lenders that requires associations to disclose extensive information regarding legal matters, insurance, finances, and project conditions. Justice Ginoza described RR105c forms as follows in her dissenting opinion in Caven v. Certified Management, Inc., SCWC-19-0000047 (Sept. 5, 2025):

Form RR105c is a seven-page disclosure form copyrighted and used by the Hawai‘i Association of Realtors to get up-to-date information pertaining to a condominium association when an association unit is being sold. Form RR105c requires detailed information to be provided about the project in sections identified as General & Legal, Insurance, Financial, and Project Condition. The General & Legal section requires information such as the number of units and guest parking stalls; the percentage of units sold (excluding to the developer); the

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percentage of units that are primary residences, second homes or investor properties; the number of foreclosures filed by the Board of Directors in the last twelve months; the percentage of owners more than one month delinquent in maintenance fees; multiple questions about any leased fee interest in the land, including the possible purchase of the fee interest, whether the association has a loan to acquire the fee interest, and whether owners are assessed to repay any such loan; whether there are any lawsuits, arbitrations or mediations affecting the project or the association; whether any single entity, individual or partnership owns more than 10% of the common interest in the property; whether association approval is needed to transfer ownership; whether asbestos, formaldehyde, radon gas, lead-based paint, mold, mildew or fungus has been discovered by the association at the project; and whether there are commercial units or commercial use of common areas or common elements. The Insurance section of Form RR105c requires disclosure regarding whether any project improvements are in a designated flood hazard zone that require insurance; whether the project is covered by flood insurance, is located in a tsunami inundation area, or has had any substantial damage due to earthquake, fire, floods, winds, landslides, tsunami, or violence within the last five years. The Financial section of the form requires disclosures including whether the maintenance fee covers specified items, utilities, and taxes; whether other fees are billed to the owners; whether the association Board has approved a maintenance fee increase, special assessment or loan; and whether any special assessments or loans are currently in effect. The Project Condition section of the form requires disclosures including whether any major repairs are required or planned in the next twelve months for twenty-six specified common element or common area items; whether lanai enclosures are allowed; and regarding the common elements or common areas, whether there have been any termites, leaks or water damage, or structural problems caused by water, settling, sliding, subsidence or filled land in the past year.

RR105c forms are not typically maintained on a continuous basis and are usually prepared when a unit is being sold. They are also commonly requested by lenders when unit owners refinance their mortgages. While these documents may therefore be requested in more than one transactional context, typically they are nevertheless transaction-driven documents and not records that are routinely prepared, maintained, or publicly disseminated outside of a specific sale or refinancing request.

Some managing agents prepare their own disclosure forms rather than the RR105c. Condominium associations should be permitted to continue doing so. The Legislature should not mandate the use of the RR105c form, which is a copyrighted document created and controlled by a private professional association.

Requiring associations to use a specific private form would effectively allow realtors or other private interests to dictate what information must be disclosed and to amend the form over time to require disclosure of additional information. Decisions regarding the scope and content of mandatory disclosures should be made by the respective associations and managing agents, not delegated to a private organization. Associations should remain free to provide required disclosures using their own forms. If agents, purchasers or lenders request additional information, information is provided on an as needed basis. Different lenders have different disclosure requirements, and associations have an interest in disclosing information necessary for units to be sold. Property values would suffer if owners were not able to sell their units. These practices have worked sufficiently well for decades.

If a project has a very low rate of sales or few owners who are refinancing their mortgages, the association may rarely update RR105c forms. Requiring continuous preparation and publication of this information by every association in Hawaii, even when no resale or refinancing is occurring, would impose extraordinary and unnecessary costs on associations and their members.

According to industry experts I have spoken with, it is estimated that compliance with this bill would increase common expense assessments by at least \$100 per unit per month. This amount could be significantly higher for some associations, and lower for others.

The bill does not explain why it is necessary to make such major changes in the law. Before imposing additional duties on associations, the Legislature should be sure that the disclosure requirements will serve a public need. The text in the bill does not establish such a public need.

The financial, administrative, and other burdens that this bill will impose on associations will be significant given the duty to submit accurate and complete information. The bill does not provide for any margin of error. If an association inadvertently provides inaccurate information, by virtue of this bill, it may be exposed to claims by owners or third-parties. Therefore, to comply with the statute, associations will have to double and triple check the information or suffer the risk of claims.

Imposing duties upon associations without adequate justification can be very harmful in the long run not only due to the administrative burdens and expense, but also increased claims against associations for violations of those statutory duties, increased insurance premiums resulting from increased claims, and ultimately, increases in maintenance fees to cover the overhead and increased insurance premiums. Ultimately, unit owners will be required to fund the direct and indirect costs of this bill.

III. H.B. 1940 UPSETS THE CAREFUL BALANCE IN HRS CHAPTER 514B

Existing law already balances transparency with privacy and cost control. HRS § 514B-152 requires associations to keep records sufficient for resale-related disclosures. HRS § 514B-154.5 allows associations to charge reasonable fees for document production while permitting free online access at the association's option. The Caven opinion (although it is unpublished) clarified that managing agents cannot charge for documents when they voluntarily provide them online.

H.B. 1940 abandons this balance and replaces it with a one-size-fits-all mandate that eliminates discretion, expands disclosure beyond resale contexts, forces public dissemination of private data, and imposes unfunded mandates on private associations.

IV. ADDITIONAL PUBLIC POLICY CONCERNS

As this bill imposes new and burdensome duties upon associations, the bill will discourage volunteer board service, exacerbate neighbor-to-neighbor disputes, increase litigation risk, and impose costs that disproportionately harm small and self-managed associations. It creates compliance risks and privacy harms without a corresponding public benefit – the costs and risks of harm to consumers would exceed any perceivable benefit.

V. H.B. 1940 EXPANDS — AND DISTORTS — THE HOLDING IN CAVEN v. CERTIFIED MANAGEMENT

This measure appears to be an attempt to codify the Hawai'i Supreme Court's unpublished Summary Disposition Order in Caven v. Certified Management, Inc., SCWC-19-0000047 (Sept. 5, 2025), which addressed a narrow resale-disclosure dispute under existing statutes. The Court held that, under HRS §§ 514B-152 and 514B-154.5, a condominium association and its managing agent had a duty to make an RR105c form and a Statement of Account available to a unit owner in connection with resale, even if those documents were not regularly maintained. The Court further held that where such documents were made available for download through an internet site, they had to be provided at no cost to the unit owner or the owner's authorized agent.

The problem is that this bill does not merely codify the holding in Caven. This bill radically expands the Court's holding and would impose greater burdens on associations without justification. For example, the Court did not hold that associations must provide these documents to all unit owners at all times, must publish or disclose general ledgers without restrictions on an internet site, must maintain or publish unit-specific account information to the community at large, must create or maintain a website if they do not already have one, or must continuously update RR105c forms regardless of whether any resale is occurring.

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H.B. 1940 would nevertheless impose a much broader and fundamentally different regime, untethered from resale needs and unsupported by the reasoning in Caven. There is no justification for such an expansion.

CONCLUSION

H.B. 1940 is not a modest clarification of existing law. It is a dramatic expansion that goes far beyond the holding in Caven, undermines unit owner privacy, imposes substantial new costs, and creates unreasonable risks for, and burdens on, associations and their managing agents.

For these reasons, I respectfully urge the Committee to defer H.B. 1940.

Thank you for the opportunity to testify.

Respectfully Submitted,

Paul A. Ireland Koftinow