



1001 Bishop Street #625 | Honolulu, HI 96813
866-295-7282 | aarp.org/hi | hiaarp@aarp.org |
[Twitter.com/aarphawaii](https://twitter.com/aarphawaii) | facebook.com/aarphawaii

The Thirty-Third Legislature
Senate Committee on Ways and Means
Tuesday, March 3, 2026
Conference Room 211
10:17 a.m.

TO: The Honorable Donovan M. Dela Cruz, Chair
FROM: Keali'i S. López, State Director
DATE: March 3, 2026
RE: Support for S.B. 2433 SD1 Relating to Condominiums

Aloha e Chair Dela Cruz and Members of the Committee:

My name is **Keali'i S. López**, and I serve as State Director of **AARP Hawai'i**. AARP is a nonprofit, nonpartisan social impact organization dedicated to empowering people age 50 and older to choose how they live as they age. On behalf of our more than 135,000 members statewide, we write in **strong support** of S.B. 2433 SD1.

Access to **stable, affordable housing** is foundational to the ability of Hawai'i residents, particularly older adults, to age with dignity in the communities they call home. Condominium housing plays a critical role in meeting this need. As drafted, S.B. 2433 SD1 appropriately recognizes that **condominium unit owners directly bear the financial and personal consequences of governance decisions**, including maintenance fees, special assessments, and long-term reserve funding. For this reason, AARP strongly supports the bill's direction to the Real Estate Commission to define "stakeholder" to explicitly include **condominium unit owners**.

Equally important, this measure ensures that unit owners are **meaningfully represented** in advisory committees, stakeholder groups, and task forces related to condominium law, education, rulemaking, and dispute resolution, particularly those supported by the Condominium Education Trust Fund. Including the voices of unit owners will ground policy decisions in **lived experience and real-world impacts**, leading to more effective, equitable, and sustainable outcomes.

S.B. 2433 SD1 also makes **prudent and responsible use of the Condominium Education Trust Fund** by expanding authorized uses to include education specifically tailored for condominium unit owners. Accessible education on governance responsibilities, association operations,

reserve requirements, financial obligations, and owners' rights is essential to informed participation and responsible homeownership benefiting both individual owners and the broader housing system.

This measure is especially significant for **older adults**. Many Hawai'i residents purchased their condominium homes decades ago in the 1960s, 1970s, and 1980s, and these communities have since become **Naturally Occurring Retirement Communities**. For residents living on fixed incomes, unexpected fee increases or special assessments can be devastating, threatening housing stability and forcing displacement. Condominium units are not merely financial assets; they are **homes** where people plan to age in place, maintain independence, and remain connected to their communities.

AARP Hawai'i supports policies that promote responsible homeownership, prevent displacement, and help residents, particularly working families and older adults remain in the communities where they work, raise families, and care for loved ones. S.B. 2433 SD1 advances these goals by ensuring condominium unit owners have both **a voice in decision-making** and **access to the information** they need to navigate increasingly complex governance and financial obligations.

For these reasons, AARP Hawai'i respectfully urges the Senate Committee on Ways and Means to **move S.B. 2433 SD1 forward**.

Mahalo for your leadership and for your continued commitment to addressing Hawai'i's housing challenges in a manner that protects condominium unit owners at every stage of life.

SB-2433-SD-1

Submitted on: 2/27/2026 9:30:07 PM

Testimony for WAM on 3/3/2026 10:17:00 AM

Submitted By	Organization	Testifier Position	Testify
Miri Yi	Individual	Support	Written Testimony Only

Comments:

**Testimony in Support of S.B. 2433, S.D. 1
Relating to Condominiums**

Aloha Chair Keohokalole Vice Chair Fukunaga, and Members of the Committee:

My name is Miri Yi, and I am submitting testimony in **strong support** of S.B. 2433, S.D. 1.

This measure appropriately recognizes that condominium unit owners directly bear the real financial consequences of governance decisions, including special assessments, maintenance fee increases, deferred maintenance, and reserve underfunding, yet are not consistently included in policy discussions that affect their homes and financial stability.

S.B. 2433, S.D. 1 takes practical steps to fix that imbalance by:

1. Explicitly allowing the **Condominium Education Trust Fund** to support **education resources for condominium unit owners** on governance, association operations, reserve requirements, financial obligations, and governance rights.
2. Requiring the **Real Estate Commission** to ensure **unit owner interests are represented** in advisory groups, task forces, education program design, rulemaking, and other work funded by the Trust Fund.
3. Directing the Commission to adopt rules so that unit owner rights are recognized and safeguarded in Trust Fund supported activities, and to adopt rules protecting unit owner rights for condominium governance.

For these reasons, I respectfully urge your committee to **PASS S.B. 2433, S.D. 1**.
Mahalo for the opportunity to testify.

Respectfully,
Miri Yi

SB-2433-SD-1

Submitted on: 2/27/2026 11:15:31 PM

Testimony for WAM on 3/3/2026 10:17:00 AM

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

Comments:

SB 2433 SD1 is unneeded. It is based upon the incorrect assumption that REC excludes or overlooks owner interests. History shows otherwise. Right now, for example, owners are on the Condominium Property Regime Task Force. Owners have also been represented in other important policy groups.

The bill also confers an uncertain status upon condominium owners, and unduly elevates individual owner interests over the collective interests of associations as a whole. The collective interests must predominate.

SB-2433-SD-1

Submitted on: 3/1/2026 5:07:51 AM

Testimony for WAM on 3/3/2026 10:17:00 AM

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

Comments:

Committee on Ways and Means

March 1, 2026

Testimony in Support of SB2433 — With Clarifying Amendment

Chair Donovan Dela Cruz, Vice Chair, Sharon Moriwaki

Members of the Committee:

Thank you for the opportunity to testify in support of SB2433 and to respectfully suggest a clarifying amendment.

The CPN amended language has been posted, and I appreciate the Committee’s work in advancing this measure. I respectfully urge the Committee to replace the undefined term “stakeholders” with the defined statutory phrase “condominium unit owners.” Chapter 514B clearly defines “condominium unit owner,” but does not define “stakeholder.” Using precise statutory language reduces ambiguity, strengthens consistency within 514B, and ensures clarity in implementation.

In practice, the term “stakeholders” can include managing agents, attorneys, reserve specialists, and trade organizations. These professionals provide important expertise. However, condominium unit owners are the homeowners who fund association operations, pay maintenance fees, bear special assessments, and contribute to the Condominium Education Trust Fund. If policy discussions are supported by funds paid by condominium unit owners, those owners should be clearly named in statute.

Hawaii’s condominium system relies heavily on what is often described as “self-governance.” But condominiums are private corporations created by statute and remain subject to federal, state, and county safety codes, financial regulations, and corporate governance laws. In this structure, statutory clarity is essential.

What the Bill Does — and Does Not Do

SB2433 is a measured reform. It does not impose structural changes or regulatory burdens. Instead, it:

- ✓ Improves representation and transparency by formally recognizing condominium unit owners in governance-related processes funded by the Condominium Education Trust Fund.
- ✓ Creates structured participation pathways so that owners are not merely passive recipients of education, but have a defined role in advisory activities, consultations, and policy development.
- ✓ Strengthens clarity in governance language by requiring rule making that expressly includes unit owners, rather than relying on broad or undefined terminology.

At the same time, it is important to understand what the bill does not do. It does not create new enforcement authority. It does not create new private causes of action. It does not expand regulatory penalties. Its purpose is procedural clarity and inclusion.

Transparency is not anti-board; it is pro-governance and essential to housing stability. When owners fund the system, they should be expressly included within it.

For these reasons, I respectfully ask the Committee to advance SB2433 with clarifying language that replaces “stakeholders” with “condominium unit owners” to align with Chapter 514B and ensure statutory precision.

Thank you for your consideration.

Lourdes Scheibert

SB-2433-SD-1

Submitted on: 3/1/2026 9:09:08 AM

Testimony for WAM on 3/3/2026 10:17:00 AM

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

Comments:

I am an owner occupant of a high rise condominium in Honolulu. I respectfully ask that you support this bill. As condo ownership is increasing annually, with its share of home ownership always going up. it is important that condo owners are are consulted in these deliberations.

Lynne Matusow

SB-2433-SD-1

Submitted on: 3/1/2026 9:22:21 AM

Testimony for WAM on 3/3/2026 10:17:00 AM

Submitted By	Organization	Testifier Position	Testify
Idor Harris	Testifying for Honolulu Tower	Support	Written Testimony Only

Comments:

Honolulu Tower is a fee simple sprinklered 396 unit condominium located at Maunakea and Beretania Streets. At its meeting on February 2, 2026, the Board of Directors of the Association of Apartment Owners of Honolulu Tower unanimously voted its support of this bill.

With nearly 200,000 condominium units in the state it is important that condos have a seat at the table.

Please move this bill forward.

Idor Harris

Resident Manager

The Senate
The Thirty-Third Legislature, 2026
Committee on Ways and Means
Tuesday, March 3, 2026
10:17 a.m.

To: Senator Donovan M. Dela Cruz, Chair
Re: SB 2433 SD1, Relating to Condominiums

Aloha Chair Donovan Dela Cruz, Vice-Chair Sharon Moriwaki, and Members of the Committee,

I strongly support SB 2433 SD1.

Condominium governance is founded on the principle of self-governance. In practice, however, unit owners — who collectively fund and sustain their associations — are often underrepresented in the governmental and regulatory processes that shape condominium law and policy.

For example, during the recodification of HRS Chapter 514B, only a single condominium unit owner represented the interests of hundreds of thousands of condominium owners statewide, while the remaining participants represented commercial or industry interests:

“HSBA [Hawaii State Bar Association] Real Property & Financial Services section members Richard T. Asato, Jr., Gail O. Ayabe, Randy Brooks, Andy Bunn, David Callies, Ken Chong, Deb Chun, Lorrin B. Hirano, Mitchell A. Imanaka (also the Chair of the Real Estate Commission’s Condominium Review Committee that spearheaded the recodification effort), Ray Iwamoto, Rick Kiefer, Bernice Littman, John A. Morris, Milton Motooka, Joyce Y. Neeley, Hiroshi Sakai, and Jane Sugimura were among those who helped immensely in the effort to recodify Hawaii’s 40+ year old (at that time) condominium law. In addition to these HSBA-RPFS section members, the Real Estate Commission’s Blue Ribbon Recodification Advisory Committee included Steve Glanstein (representing the Hawaii Chapter of the Community Associations Institute), Len Kacher (representing the Hawaii Association of Realtors), Calvin Kimura and Cynthia Yee (representing the Real Estate Branch of the State Department of Commerce & Consumer Affairs), Richard Port (representing Hawaii Independent Condominium & Cooperative Owners), and Ted Walkey (representing the Hawaii Association of Realtors).”

(source: <https://www.hawaiiilegal.com/wp-content/uploads/2019/04/The-Expert’s-Guide-to-Hawaii’s-Recodified-Condominium-Law.pdf>)

This imbalance highlights the need for structural reform in how condominium owner participation is defined and implemented.

SB 2433 SD1 corrects this gap by explicitly recognizing condominium unit owners are included in rulemaking, studies, and educational initiatives supported by owner-funded Condominium

Education Trust Funds. Owners are directly affected by these policies and should have a consistent, guaranteed role in shaping them.

Including unit owners will lead to more balanced policy outcomes, improve the legitimacy of regulatory actions, and strengthen public confidence in condominium governance. Broader participation will help ensure that decisions reflect the real-world concerns of residents and not solely the priorities of commercial interests.

For these reasons, I strongly encourage your support of SB 2433 SD1.

Mahalo.

Lila Mower

LATE

HAWAII LEGISLATIVE
ACTION COMMITTEE


community
ASSOCIATIONS INSTITUTE

P.O. Box 976
Honolulu, Hawaii 96808

March 2, 2026

Honorable Donovan M. Dela Cruz
Honorable Sharon Moriwaki
Committee on Ways and Means
415 South Beretania Street
Honolulu, Hawaii 96813

Re: SB 2433 SD1 (Oppose)

Dear Chair Dela Cruz, Vice Chair Moriwaki and Committee Members:

The Community Associations Institute (CAI) is a national and statewide organization of individuals involved in the operation of community associations, including homeowners, directors, managers and business partners of community associations.

For the following reasons, CAI **respectfully opposes SB 2433 SD1**.

The wording on page 7, lines 12-17 is ambiguous and opens the door to circumvention of the legislative process regarding owners' rights in the structure of condominium governance. Also, the second sentence in that paragraph, referring to "criteria" is left over from a previous version of the bill. The corresponding parts of the bill, concerning "stakeholders" was deleted, but this sentence was accidentally left in.

Thank you for your time and consideration. If you have any questions, I will be available to answer them.

Very truly yours,

CAI Legislative Action
Committee, by

/s/ Dallas H. Walker

Dallas Walker, Esq.

SB-2433-SD-1

Submitted on: 3/3/2026 10:08:27 AM

Testimony for WAM on 3/3/2026 10:17:00 AM

Submitted By	Organization	Testifier Position	Testify
Richard Emery	Testifying for Associa	Oppose	Written Testimony Only

Comments:

Current educational resources are abundant. You can't force a director to take educational courses. The cost will only increase maintenance fees. Won't solve the problem.