

# LATE TESTIMONY



HAWAII STATE ASSOCIATION OF PARLIAMENTARIANS  
LEGISLATIVE COMMITTEE  
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February 14, 2012

Rep. Rida T. R. Cabanilla, Chair  
Rep. Ken Ito, Vice Chair  
House Committee on Housing  
Hawaii State Capitol, Room 442  
415 South Beretania Street  
Honolulu, HI 96813

**RE: HB2721; Testimony OPPOSED; Hearing Date: 2/15/2012; Sent via web and e-mail ([HSGtestimony@capitol.hawaii.gov](mailto:HSGtestimony@capitol.hawaii.gov))**

Dear Chair Cabanilla, Vice-Chair Ito, and Members of the Committee:

The Hawaii State Association of Parliamentarians ("HSAP") has been providing professional parliamentary expertise to Hawaii for more than 40 years. HSAP consists of 224 members, making it the 3<sup>rd</sup> largest group of parliamentarians in the United States.

I am the chair of the HSAP Legislative Committee. I'm also an experienced Professional Registered Parliamentarian who has worked with condominium and community associations every year since I began my practice in 1983 (over 1,300 in 29 years). I was also a member of the Blue Ribbon Recodification Advisory Committee that presented the recodification of Chapter 514B to the legislature in 2006.

This testimony is provided as part of HSAP's effort to assist the community based upon our collective experiences with the bylaws and meetings of numerous condominiums, cooperatives, and planned community associations.

The 2000 Legislature previously recognized that "[Hawaii's] condominium property regimes law is unorganized, inconsistent, and obsolete in some areas, and **micromanages condominium associations.**" (Emphasis added.) This led to a complete revision of Chapter 514A to a new Chapter 514B.

**The House bill proposes to repeat history through micromanagement of condominium associations.**

**The House bill also proposes to expand this micromanagement to Planned Community Associations.**

The bill mandates fines for “a unit owner disregarding communications regarding the unit owner’s noncompliance with certain governing provisions” by using “shall be fined [...] and a maximum \$100 limitation.”

The bill is objectionable for many reasons, including the micro-management previously described. We’ve identified a few problems with the bill:

1. The bill fails to recognize that many Planned Community Associations and Condominium associations may not even have a fining policy in their documents.
2. The bill fails to recognize that “disregarding communications” is highly subjective and can lead to a large amount of fines by a board that simply sends e-mail communications and expects a unit owner to comply.
3. The bill provides for liens for fines over \$5,000. This can strip an association’s right in their documents to place a lien for a lower and more reasonable fine. If the bill becomes law, this can become an inducement for an association to impose as many recurring fines as possible to reach the \$5,000 threshold.
4. The bill requires associations to conform their documents to the new law. This would require the recordation of amendments by over 1,500 condominium associations in the state of Hawai‘i. Some Planned Community Associations are so large, e.g. Mililani Town Association, Palehua Community Association, and Waikoloa Villages Association that amendment of their documents is difficult and expensive. This requirement is completely out of line.

We urge you to hold this bill.

Our committee looks forward to additional discussions of these bills or improvements to any parts of Chapter 514B.

I may be contacted via phone: 423-6766 or by e-mail: [hsap.lc@gmail.com](mailto:hsap.lc@gmail.com). Thank you for the opportunity to present this testimony.

Sincerely,

**Steve Glanstein**

Digitally signed by Steve Glanstein  
DN: o=Management Info Consultants,  
ou=Management Info Consultants, cn=Steve  
Glanstein  
Date: 2012.02.14 23:12:11 -10'00'

Steve Glanstein, Professional Registered Parliamentarian  
Chair, HSAP Legislative Committee

SG:tbs

# LATE TESTIMONY

**COMMUNITY ASSOCIATIONS INSTITUTE (CAI)  
HB 2721  
OPPOSITION**

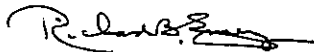
Community Associations Institute (CAI) opposes HB 2721 as it places unreasonable limits on associations that in fact may harm the residents and guests.

Associations are a form of government that places fines based on the severity of the offense. Many fines are placed to protect the safety of the residents or to protect the property. As an example, some association set a higher fine for parking in fire zone areas. The reason is obvious. Others set higher fines for unauthorized construction within an apartment to deter use of unlicensed contractors or failure to obtain a building permit. Improper construction can be disastrous for other apartments if something were to go wrong. Others have fines for violation of simple human decency such as swimming nude in a swimming pool.

Associations et rules recognizing the variances that may exist within an association. All rules provide for a right of appeal and a methodology to appeal a fine.

The proposed bill sets arbitrarily standards that will in effect negatively impact the Board's duty to protect the association property and its residents and guests.

Community Associations Institute (CAI) opposes HB 2721.



Richard Emery