



HAWAII STATE ASSOCIATION OF PARLIAMENTARIANS
LEGISLATIVE COMMITTEE
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March 19, 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: SB2465 SD1; Testimony OPPOSED; Hearing Date: March 21, 2012 (Web)

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 more than 150 members, making it the 4th largest group of parliamentarians in the United States.

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 bill proposes to repeat history through micromanagement of condominium associations. It also has numerous unintended consequences that are worse than the perceived problem that it attempts to correct.

The bill contains two parts. We've addressed the apparent genesis of the bill as well as the two parts.

A. The Genesis of the Bill (from Testimony)

The only written testimony supportive of the original bill came from a letter from Mr. Port to the Senate Committee on Commerce and Consumer Protection based upon his experience as a proxy-holder at Holiday Village. The written testimony does not accurately reflect what happened at the meeting. The letter refers to 19 supporters of the bill; none of them provided any written testimony. I have some knowledge of what happened at the November 23, 2011 Holiday Village special meeting since they are one of my clients.

According to the minutes, Mr. Port was present as a proxy-holder rather than an owner. He attempted to modify rules **previously adopted unanimously** (March 16, 2011 annual meeting with 57.848% present). The approved minutes of the special meeting state in part,

III. MOTION TO AMEND ASSOCIATION MEETING RULE #7
Proxy holder Port moved to amend Association Meeting Rule #7 by striking out 2 minutes and inserting 10 minutes. A ballot vote was conducted. The results are:

Yes: 46.2784%; No: 21.4864%; Necessary to Adopt > 50%; the motion was not adopted.

Based on the minutes, Mr. Port attempted to permanently change the meeting rules. Perhaps he didn't realize that the framing of the motion would have permanently changed the rule and violated the rights of homeowners who were NOT at the special meeting.

Neither Mr. Port nor the board provided previous notice to homeowners about this amendment. Since this amendment would affect the rights of owners at future meetings, it required a higher vote according to *Robert's Rules of Order Newly Revised* (RONR [11th ed.], TP 10-11, Item #17). Mr. Port did not have enough support at the meeting to permanently change the rules.

IF, Mr. Port had simply wanted more time, he could have moved to:

1. *Limit or Extend Limits of Debate* (RONR [11th ed.], p. 192), or
2. *Suspend the Rules* (RONR [11th ed.], p. 265).

Both of these motions would require a 2/3 vote. Based on the above excerpt of the minutes, he WOULD HAVE HAD a 2/3 vote and the motion would have been adopted. This would have increased debate to 10 minutes per speaker per debatable motion for the meeting without affecting other meetings.

It is disingenuous to then go to the legislature and argue that the law should be changed based on this one documented experience.

B. Proposed Amendment to HRS §514B-121

This part of the bill proposes to require "adequate time" during an association special meeting for petitioners to address their concerns (SB2465, SD1, page 1, lines 16-18 through page 2, lines 1-11).

Although clearly well-intentioned, there are numerous flaws with this section.

"Adequate time" in the bill is defined as, "For purposes of this subsection, 'adequate time' means no less than the full amount of time permitted by Robert's Rules of Order Newly Revised, for a maximum of three speakers for petitioners and three speakers for the opposition, if any."

This definition will have the opposite effect in association special meetings. It fails to recognize the reality of condominium association governance and that association members do overwhelmingly want to control their meetings. Some considerations follow:

1. Homeowners may sign a petition for a meeting just to have the meeting or simply to have the petitioner leave them alone. In fact, when provided more factual information, some homeowners have demanded that their names be REMOVED from the petition.
2. There may not be a clear leader of the petitioner. Who selects the three speakers for the petitioner?
3. What is the procedural mechanism for selecting the three speakers?
4. Who selects the three speakers for the "opposition?"
5. Contrary to the one supportive piece of written testimony, there are times when the owners get together for an informational meeting or a special meeting to simply discuss previous actions.
6. Robert's Rules provides for a 10 minute debate limit on each speech. It also provides that this limit can be changed with a 2/3 vote.
7. This part of the bill defines the other owners and proxyholders (SB2465, SD1, page 2, lines 3-7) as second class owners since their time can be shortened by (a) existing rules or (b) a majority present, which may be a lower standard depending upon damage caused by the quorum only proxies.

Association owners are not **compelled** to attend special meetings. If these considerations are not addressed in the bill, then there will be association attorneys and parliamentarians with differing opinions. This will further complicate the association meeting process.

Robert's Rules provide various procedural safeguards to address their concerns. Two major ones are:

1. At an association meeting, owners can propose a motion to consider an issue informally without a pending motion. Only a majority vote is required.
2. If one group at an association meeting is supported by a 2/3 vote, then the debate limit can be significantly changed for that meeting.

C. Proposed Amendment to HRS §514B-123

The bill states in part that, "No association shall adopt any rules regarding association meetings that would otherwise require a vote of a majority of the quorum to change, except

as provided in the bylaws of the association or by Robert's Rules of Order Newly Revised." (SB2465, SD1, page 7, lines 16-20).

I work with over 100 condominium associations each year. Most of them provide in their bylaws that official acts of the association require a majority of the membership present for adoption. This is also known as a "majority of the quorum."

Robert's Rules **requires a higher standard** when the rules are special meeting rules.

There are only three different standards for the vote required to adopt rules regarding association meetings. They exist in: (a) state law, (b) the declaration or bylaws, and (c) *Robert's Rules of Order Newly Revised*.

The proposed prohibition in the bill makes no sense. Two possibilities are:

1. IF the intent of this section is to require no more than a majority of the quorum, THEN this section may **make it easier to implement debate rules**. (In Robert's Rules, a 2/3 vote of those present and voting prevents this abuse.)

For example, at a meeting with 60% present with all voting, then only slightly more than 30% could control debate. Under Robert's Rules, 40% would be required if all voted (40%-yes, 20%-no satisfies a 2/3 vote).

2. IF the intent of this section is to prohibit rules which require more than a majority of the quorum to change, THEN this section may **prohibit associations from adopting or relying on certain debate rules**.

For example, one client association has a rule that provides for a specific question and answer period for candidates. This is not generally authorized by Robert's Rules. Since this type of adopted rule requires a majority of all members or notice and a 2/3 vote of those present and voting, then the rule arguably would violate state law, permitting a sharp meeting lawyer an opportunity to shutdown the question and answer period at a contentious meeting.

Associations adopt their own meeting rules at a properly called meeting, usually the annual meeting. Some of them have high voting requirements. Many associations have overwhelmingly adopted rules limiting taping, non-ownership presence at meetings, expedited approval of the minutes, realistic debate limits, etc.

D. Conclusion

We urge the committee to (a) avoid this level of association governance without a clear demonstration of a compelling state interest, and (b) consider the complexity of the unforeseen consequences of this bill should it become law.

We believe that previous testimony has demonstrated a lack of compelling state interest.

We believe that one unforeseen consequence of this bill is to dramatically increase the requirement for attorneys and parliamentarians at meetings throughout the state.

We urge you to defer or hold this bill.

Our committee looks forward to additional discussions of these bills or improvements to any parts of Chapter 514B. Should the Housing Committee believe that some form of compromise wording is necessary, I would be happy to submit a proposed amendment that would provide an appropriate petitioners' forum while safeguarding the entire association.

I may be contacted via phone: 423-6766 or by e-mail: 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: 2012.03.19 23:39:16 -10'00'

Steve Glanstein, Professional Registered Parliamentarian
Chair, HSAP Legislative Committee

SG:lbs

HAWAII CHAPTER


community
ASSOCIATIONS INSTITUTE

March 19, 2012

TESTIMONY
SB 2465
SUPPORT WITH AMENDMENTS

CAI recognizes that in rare instances an association meeting can limit debate time; primarily due to the adoption by the memebr4s (association homeowners) of *permanent* standing or special meeting rules; often by homeowners many years ago. CAI supports the rights of homeowners to speak at any association meeting, *BUT* the language proposed in the Bill will not adequately address the problem.

The general problems with the proposed language are as follows:

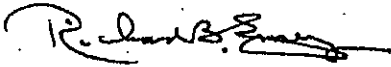
1. The proposed language only addresses a special meeting by allowing the petitioner adequate time to address the other homeowners. It does not address other association meetings, such as the annual meeting, where a homeowner may want the time to address their concerns.
2. It allows that other homeowners who may not have been a part of the petitioner a lesser amount of time which is unfair and discriminatory. Such law will treat some homeowners differently and unfairly with their right to be heard. Why should one group of homeowners be allowed more treat than another homeowner? I am sure you can visualize the arguments among homeowners on why certain attendees got more time.
3. The proposed Bill prohibits the adoption of any rules for any meeting that would otherwise require a majority vote of the quorum to change. This does not make any sense. Rules are adopted by6 the members in attendance at a meeting, not the Board of Directors. Most of these rules are a simply courtesy such as "no smoking", no profanity, etc. To vaguely describe rule adoption in this manner is not productive to running an efficient meeting.

The problem stems from the fact that many associations have adopted permanent standing or permanent special meeting rules; often years ago when there was no controversy. Thus the problem, that old rules can be used to limit current debate. CAI supports the intent of the Bill but recommends a broader correct language as attached to provide greater homeowner rights.

1. It should be understood that the association members present by person or proxy adopt rules; however there are different standards for debate limits. A simple majority of the homeowners present can adopt simple courtesy rules.
2. Roberts Rules automatically provides ten minute debate privileges unless the debate rule is approved by a **super majority** of 2/3 present. Since old permanent standing rules were adopted long ago in less controversial times with a 2 minute debate limit; thus the problem as it again would take 2/3 to change or set aside the old rule.

I have attached proposed amendment language that prohibits the adoption of permanent standing or permanent special rules that limit debate. Therefore at each and every meeting, both special; and annual meetings, now and in the future, all homeowners will automatically be provided a 10 minute debate privilege. The only issue in the proposed Bill language is debate limits and the ability to establish other courtesy rules should not be restricted. In the proposed amended language, each and every homeowner is provided the same identical debate rights. The proposed language offers more equity and more debate rights than the current language.

CAI is opposes the language in the current SD1, but supports the intent by offering the attached amended language that in actuality provides greater rights and balance then the current language. CAI supports SB 2465 only if amended to incorporate the attached language.



Richard Emery

THE SENATE
TWENTY-SIXTH LEGISLATURE, 2012
STATE OF HAWAII

S.B. NO. 2465
S.D. 1

A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. Section 514B-121, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Special meetings of the association may be called by the president, a majority of the board, or by a petition to the secretary or managing agent signed by not less than twenty-five per cent of the unit owners as shown in the association's record of ownership; provided that if the secretary or managing agent fails to send out the notices for the special meeting within fourteen days of receipt of the petition, the petitioners shall have the authority to set the time, date, and place for the special meeting and to send out the notices and proxies for the special meeting at the association's expense in accordance with the requirements of the bylaws and of this part; provided further that a special meeting based upon a petition to the secretary or managing agent shall be set no later than sixty days from receipt of the petition[~~]~~ and shall allow for adequate time during the meeting to address the concerns for which the meeting was called. This subsection shall not impair the right of the director or directors, who are the subject of a motion to be removed, to have an adequate opportunity to be heard. ~~Other owners and proxyholders attending the meeting shall also be entitled to speak but may be~~

~~restricted by shorter time limits provided by existing rules of the association or by rules adopted by a majority of owners present at the meeting in person or by proxy.~~

~~For purposes of this subsection, "adequate time" means no less than the full amount of time permitted by Robert's Rules of Order Newly Revised, for a maximum of three speakers for petitioners and three speakers for the opposition, if any."~~

SECTION 2. Section 514B-123, Hawaii Revised Statutes, is amended to read as follows:

"§514B-123 Association meetings; voting; proxies. (a) If only one of several owners of a unit is present at a meeting of the association, that owner is entitled to cast all the votes allocated to that unit. If more than one of the owners is present, the votes allocated to that unit may be cast only in accordance with the agreement of a majority in interest of the owners, unless the declaration or bylaws expressly provide otherwise. There is majority agreement if any one of the owners casts the votes allocated to that unit without protest being made by any of the other owners of the unit to the person presiding over the meeting before the polls are closed.

(b) Votes allocated to a unit may be cast pursuant to a proxy duly executed by a unit owner. A unit owner may vote by mail or electronic transmission through a duly executed proxy. If a unit is owned by more than one person, each owner of the unit may vote or register protest to the casting of votes by the other owners of the unit through a duly executed proxy. In the absence of protest, any owner may cast the votes allocated to the unit by proxy. A unit owner may revoke a proxy given pursuant to this section only by actual notice of revocation to the secretary of the association or the

managing agent. A proxy is void if it purports to be revocable without notice.

(c) No votes allocated to a unit owned by the association may be cast for the election or reelection of directors.

(d) A proxy, to be valid, shall:

- (1) Be delivered to the secretary of the association or the managing agent, if any, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains;
- (2) Contain at least the name of the association, the date of the meeting of the association, the printed names and signatures of the persons giving the proxy, the unit numbers for which the proxy is given, the names of persons to whom the proxy is given, and the date that the proxy is given; and
- (3) If it is a standard proxy form authorized by the association, contain boxes wherein the owner has indicated that the proxy is given:
 - (A) For quorum purposes only;
 - (B) To the individual whose name is printed on a line next to this box;
 - (C) To the board as a whole and that the vote is to be made on the basis of the preference of the majority of the directors present at the meeting; or
 - (D) To those directors present at the meeting with the vote to be shared with each director receiving an equal percentage.

The proxy form shall also contain a box wherein the owner

may indicate that the owner wishes to obtain a copy of the annual audit report required by section 514B-150.

(e) A proxy shall only be valid for the meeting to which the proxy pertains and its adjournments, may designate any person as proxy, and may be limited as the unit owner desires and indicates; provided that no proxy shall be irrevocable unless coupled with a financial interest in the unit.

(f) A copy, facsimile telecommunication, or other reliable reproduction of a proxy may be used in lieu of the original proxy for any and all purposes for which the original proxy could be used; provided that any copy, facsimile telecommunication, or other reproduction shall be a complete reproduction of the entire original proxy.

(g) Nothing in this section shall affect the holder of any proxy under a first mortgage of record encumbering a unit or under an agreement of sale affecting a unit.

(h) With respect to the use of association funds to distribute proxies:

(1) Any board that intends to use association funds to distribute proxies, including the standard proxy form referred to in subsection (d)(3), shall first post notice of its intent to distribute proxies in prominent locations within the project at least twenty-one days before its distribution of proxies. If the board receives within seven days of the posted notice a request by any owner for use of association funds to solicit proxies accompanied by a statement, the board shall mail to all owners either:

(A) A proxy form containing the names of all owners who have

requested the use of association funds for soliciting proxies

accompanied by their statements; or

- (B) A proxy form containing no names, but accompanied by a list of names of all owners who have requested the use of association funds for soliciting proxies and their statements.

The statement, which shall be limited to black text on white paper, shall not exceed one single-sided 8-1/2" x 11" page, indicating the owner's qualifications to serve on the board or reasons for wanting to receive proxies; and

- (2) A board or member of the board may use association funds to solicit proxies as part of the distribution of proxies. If a member of the board, as an individual, seeks to solicit proxies using association funds, the board member shall proceed as a unit owner under paragraph (1).

(i) No managing agent or resident manager, or their employees, shall solicit, for use by the managing agent or resident manager, any proxies from any unit owner of the association that retains the managing agent or employs the resident manager, nor shall the managing agent or resident manager cast any proxy vote at any association meeting except for the purpose of establishing a quorum.

(j) No board shall adopt any rule prohibiting the solicitation of proxies or distribution of materials relating to association matters on the common elements by unit owners; provided that a board may adopt rules regulating reasonable time, place, and manner of the solicitations or distributions, or both.

(k) No association shall adopt any ~~rules regarding association~~ ^{permanent standing or permanent special} ~~meeting rules for any association meeting that limits or restricts discussion or debate as meetings that would otherwise require a vote of a majority of the~~

provided in

~~quorum to change, except as provided in the bylaws of the association
or by Robert's Rules of Order Newly Revised."~~

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.

Report Title:

Condominiums; Association Meetings

Description:

Requires that petitioners have adequate time to address concerns at a requested special association meeting. Prohibits an association from adopting any rule for association meetings that would otherwise require a majority of the quorum vote to change, with certain exceptions. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 3:26 PM
To: HSGtestimony
Cc: msshirley.raffa@hawaiiantel.net
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Shirley Raffa
Organization: Holiday Village Association
E-mail: msshirley.raffa@hawaiiantel.net
Submitted on: 3/19/2012

Comments:

I strongly ~~OPPOSE~~ this legislative proposal. Having just gone through a very difficult Association conflict with a limited number of owners wishing to rehash over and over their rebellious points of view. Making many false statements to the overall ownership, badgering the owners, calling them on unlisted numbers all seems unethical. A condominium should have the right to set reasonable time limits on speeches by any one person or persons to keep a meeting running smoothly. Outside interference of non-owners should be prohibited as well.

JANE SUGIMURA
1001 Bishop Street, ASB Tower, Suite 710
Honolulu, Hawaii 96813
Tel: 524-0544 Fax: 521-7739

March 18, 2012

Rep. Rida Cabanilla, Chair
Rep. Ken Ito, Vice-Chair
House Committee on Housing


Re: Testimony in Support of SB 2465 SD1, Re Condominiums
Hearing: Wed., March 21, 2012, 9 a.m. Conf. Rm. #325

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

My name is Jane Sugimura. I am the President of the Hawaii Council of Associations of Apartment Owners (HCAAO) and I have been involved in advocating on condominium issues before the legislature for many years. In 2003-05, I was a member of the Blue Ribbon Panel that worked with the DCCA on the recodification of the condominium law that resulted in HRS 514B.

I support the intent and purpose of this bill, which would clarify the rights of Condominium owners to debate important issues at special board meetings, and I support and incorporate by reference the testimony of Richard Port on this bill.

Thank you for the opportunity to testify on this bill.


Jane Sugimura

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 20, 2012 2:22 PM
To: HSGtestimony
Cc: gomem67@hotmail.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Eric M. Matsumoto
Organization: Mililani Town Association (MTA)
E-mail: gomem67@hotmail.com
Submitted on: 3/20/2012

Comments:

MTA has 52 sub-associations as members. We oppose this measure from the following perspectives: 1) This bill appears to be a single condo association issue, which makes this bill suspect as to validity for legislative action. 2) Condo association members at special meetings have the ability to specify the amount of time speakers have in presenting their cases. What is the rationale for legislating 10 minutes as what is deemed "adequate time" when the member has the ability to say 2 minutes is what is allowed per speaker. What is being proposed, on its face, restricts members' rights by having legislation dictate the meeting process that is already covered by Robert Rules of Order. If a member does not have the votes to get their way, is legislation the proper avenue to attempt to do so? I would guess the reasonable response would be a no. As such, we request this bill be held.

Richard J. Port
1600 Ala Moana Blvd. #3100
Honolulu, Hawaii 96815
Tel 808-941-9624
e-mail: portr001@hawaii.rr.com

Measure: SB 2465 SD1 Relating to Condominiums
Date and Time of Hearing: Wednesday, March 21, 2012 9:00 a.m.
Committee: Committee on Housing, Conference room 325

I appreciate this opportunity to testify in **support of SB 2465**. I have attached a list of Condominium Board Presidents, Former Board Presidents, Condominium Board Members, Former Board Members and Owners who support SB 2465.

I would like to draw your attention to **page 1 of SB 2465 SD 1 and the new language at the bottom of page 1, Section 1.**

In order for condominium owners to request a Special Association Meeting, Chapter 514B-121 requires owners to obtain the signatures of **25%** of all owners in a condominium. **This represents a high bar for owners to make a request for a special Association Meeting.** There have to be important issues involved to arouse the owners sufficiently to request a Special Association Meeting. Moreover, it is quite expensive, involving several hundred dollars for the owners who want to hold such a meeting because many condominiums have less than half of their owners who reside in the condominium itself. It takes one or more mailings to other owners to reach the 25% approval level required by the statute.

Once the 25% threshold has been achieved, Special Association Meetings are generally conducted by the condominium Board itself. The current rules generally used for these Special Association Meetings severely limit the rights of those owners who have spent considerable time, effort and money in leading the effort to obtain the signatures needed for the meeting. I have attached the most common rules used for these meetings. Please look at these rules.

You will notice that **Rule #7 limits the time allowed for those who have conducted the expensive effort to call the meeting so that they are allowed to speak only for two minutes and only speak twice for a total of four minutes.**

If the goal of the Special Association Meeting is to recall the Board, which is a common goal of a Special Association Meeting, this requires 50% of ALL owners to be successful. **It is not reasonable, nor adequate,** for the **owners** who have obtained the right from owners to hold the meeting to make the case for removal of the Board in **four minutes**. It should also be noted that the rules I have attached allow each Board Member who is subject to the recall to speak for **10 minutes**. If the entire Board is being removed, assuming a nine member Board, the Board would be allowed **90 minutes to respond** to those owners who have called the meeting who are allowed to speak for only a total of **4 minutes**.

The change on page 1 of SB 2465 would require that Boards allow an adequate amount of time for owners who have requested the meeting to make their case. It is important for your committee to understand that the agenda for a Special Association Meeting, can only include the item(s) that the requesting owners have included on the agenda. Thus, there is no business allowed at a Special Association Meeting other than the business included on the agenda of the owners who have requested the meeting.

Please imagine your committee holding a hearing on a Bill in which you allow one side 4 minutes while the other side is allowed up to 90 minutes.

We have been asked, and would agree, to accept wording that is more general in nature, e.g. "shall allow for reasonable time during the meeting for the petitioners to address their concerns."

Turning to page 5 of SB 2465 SD 1, the change would allow owners who attend any Association Meeting to amend the rules established or proposed for the meeting by a majority of the quorum present at the meeting in person or by proxy. Currently Condominium Management Companies, with the advice of Parliamentarians, have been arranging for the adoption of permanent rules by owners which bind future owners at future meetings to those rules. When this happens, it takes a majority of **all** owners in a condominium to amend those rules.

I draw your attention to the minutes of a recent Condominium Special Meeting of Holiday Village owners, which I have included in my testimony. A majority of owners tried to amend the rules of the meeting to allow additional time (more than four minutes) for the owners who had called the Meeting to speak but were told by the Parliamentarian that amending the rules to provide additional time required more than half of ALL condominium owners to amend those rules, a virtual impossibility. **Thus, even though a majority of the owners present in person or by**

proxy wanted to allow the owners who had called the meeting additional time, the owners were denied due process because the owners of some prior Association meeting years before had adopted permanent rules. Please take a look at the minutes for the Holiday Village Special Association Meeting held on November 23, 2011. You will notice in Section III, I moved to amend the Association Meeting Rule #7 allowing 10 minutes instead of 2 minutes. More than 46% of owners voted to approve the additional time while only 21% opposed the additional time, but because these rules were permanent rules approved at some previous non- controversial meeting of prior owners, the motion to allow the additional time failed because it currently requires 50% approval to amend permanent rules.

The wording on page 5 of SB 2465 SD1 has been amended as follows: “No condominium association shall adopt any rules regarding association meetings that require more than a majority of the quorum to change the rules unless the owners have approved the rules as a by-law amendment.”

This amendment was incorporated as SB 2465 SD 1 because the so called “Permanent Rules” are generally adopted at association meetings where there are no controversial issues, whereas they cripple discussion at meetings involving serious issues that need to be discussed and those permanent rules prevent owners from holding such discussion as demonstrated in the minutes of the Special Association Meeting I provided. If permanent rules are to be adopted, they should be put to the condominium owners as a by-law amendment which will give owners an opportunity to consider in a serious manner the need for such rules.

An amendment to SB 2465 SD 1 has been proposed by those who earlier opposed SB 2465. Although we like the current language in SB 2465 SD 1, we are willing and amenable to see some compromise language adopted as long as the idea of Permanent Rules that bind future condominium owner meetings can no longer be adopted. We suggest the following: **“No association shall adopt any permanent standing or permanent special meeting rules for association meetings that limits debate.”** However, we urge your committee not tie this amendment to Roberts Rules of Order Please do not tie it to Roberts Rules of Order.

We request your approval of SB 2465 SD1. However, we do not object to the amendments we have included on pages 2 and 3 above.

Richard J. Bort

**AOAO HOLIDAY VILLAGE
2011 SPECIAL MEETING MINUTES
On-Site (Lobby Area)
750 Amana Street
Honolulu, Hawaii 96814
Wednesday, November 23, 2011**

I. CALL TO ORDER

President Gary Kahn called the Meeting to order at 12:00 p.m. with 77.6816% of the Ownership represented at the Meeting in person or by proxy. The secretary was present. Rachel Glanstein was authorized to chair the meeting by unanimous consent.

II. APPOINTMENT OF TELLERS

Robert Fowler and Karin Okinaga were appointed tellers for any counted vote at the meeting.

III. MOTION TO AMEND ASSOCIATION MEETING RULE #7

Proxy holder Port moved to amend Association Meeting Rule #7 by striking out 2 minutes and inserting 10 minutes. A ballot vote was conducted. The results are:

Yes: 46.2784%; No: 21.4864%; Necessary to Adopt > 50%; the motion was not adopted.

IV. MOTION TO REMOVE


Petitioner Kimura moved to remove all members of the Holiday Village Board of Directors. The Board of Directors had an opportunity to be heard. After discussion, a ballot vote was conducted. The results are:

Yes: 33.8824%; No 33.056%; Necessary to Adopt > 50%; the motion was not adopted.

V. ADJOURNMENT

The meeting adjourned at 1:30 p.m.

Submitted:


Shirley Raffa, Secretary

Hawaii First, Inc.
AOAO HOLIDAY VILLAGE
Brenda Agbayani
Property Manager

SUPPPORTERS OF SB 2465

Carol Milsop, President, Waikalani Woodlands Condominium

Carlton Inasaki, Secretary, Waikalani Woodlands Condominium

Dwight Holiday, President, Pakalana Condominium

Diane Amuro, Board Member, Pakalana Condominium

Richard Port, Former President, Yacht Harbor Towers Condominium

Paul Allard, Former Treasurer, Yacht Harbor Towers Condominium

Manny Dias, Former President, Naha Condominium

Rani Vargas, Secretary, Naha Condominium

Alice Clay, Former President, One Kalakaua Condominium

Julie Taura, Board Member, One Kalakaua Condominium

Jean Patterson, Former President, Spruce Ridge Villas Condominium

Laura Brown, Former Treasurer, Spruce Ridge Condominium

Dan O'Leary, Former President, Wailana at Waikiki Condominium

John Wong, Board Member, Waikiki Banyan Condominium

Richard Sparks, Former Board Member, Waikiki Banyan Condominium

Robert Fowler, Owner, Holiday Village Condominium

Larry Thompson, Owner, Holiday Village Condominium

Andrea Bartlett, Owner, Iolani Court Plaza Condominium

Amy Amuro, Owner, The Greenwood Condominium

Association Meeting Rules

1. Smoking is not permitted in the meeting area.
2. This is a private meeting and attendance is restricted to owners and proxy holders representing owners, staff, and other persons who have been specifically invited by the board. All others are required to leave.
3. Owners desiring to speak must stand and be recognized by the Chairman. Owners must state their **name and unit each time**. The owner must **use the microphone, if available**, so that everybody else can hear.
4. All remarks must be **directed to the Chairman**, not directly to other members. Personal attacks, vulgarity, or offensive language can result in loss of debate privileges.
5. Long and complicated motions must be in writing and delivered to the Chairman, signed by the maker and seconder. This will help avoid confusion and insure that everybody knows the exact wording of the motion.
6. Discussion is normally limited to the motion being considered. Therefore, please don't start a long discussion unless a motion is already pending for consideration.
7. In order to ensure that everybody has a chance to speak, each individual shall have a limit of 2 minutes per speech and a limit of 2 speeches per debatable motion.
8. Nomination and election debate for elected office shall be limited to one speech per nominee (or his/her delegate) for a maximum of 2 minutes per speech.
9. Any board member whose removal is proposed shall have a debate limit of 10 minutes for each of the two speeches. The board member may choose to speak last after all other debate has concluded.
10. Ballot voting on any motion (including the election) will remain open for 10 minutes, (or until the results are announced) unless extended by the owners.
11. No video-taping or other electronic recording is permitted (except for production of the minutes) during any of the proceedings unless first approved by the Association members at the meeting.
12. The board of directors is authorized to approve the minutes of the Association meetings.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 11:13 AM
To: HSGtestimony
Cc: bruceh@hmcmtg.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Bruce Howe
Organization: Individual
E-mail: bruceh@hmcmtg.com
Submitted on: 3/19/2012

Comments:

Condominium associations should be allowed self governance to the greatest extent consistent with due process. Engrafting rules to satisfy Richard Port's personal agenda is counterproductive for the industry and the communities affected.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 12:52 PM
To: HSGtestimony
Cc: garykahn@hawaii.rr.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Gary Kahn
Organization: Individual
E-mail: garykahn@hawaii.rr.com
Submitted on: 3/19/2012

Comments:

I am in opposition of this bill. If we extend the time for each person to speak, they will tend to ramble on. Two minutes to get a point across is sufficient. Lengthening it would not be efficient or effective and would take up a lot of time.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 2:49 PM
To: HSGtestimony
Cc: danan@hmcmtg.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Dana Newberry
Organization: Individual
E-mail: danan@hmcmtg.com
Submitted on: 3/19/2012

Comments:

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 4:25 PM
To: HSGtestimony
Cc: alexanderatrious@yahoo.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Atrious Alexander
Organization: Individual
E-mail: alexanderatrious@yahoo.com
Submitted on: 3/19/2012

Comments:

As a member of an Association, I am opposed to setting precedents that supersede those presented in the by-laws or declarations of an association. I do not support this bill. It will only lead to mudslingers getting more time to mislead people.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 4:44 PM
To: HSGtestimony
Cc: opmhawaii@hisemail.net
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Larry Richey
Organization: Individual
E-mail: opmhawaii@hisemail.net
Submitted on: 3/19/2012

Comments:

I am opposed to people being able to dominate all of the time of the Board and other owners that want to move onto other topics, that are not the single agenda of a select few.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 4:45 PM
To: HSGtestimony
Cc: mylef@hmcmtg.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: my-le flores
Organization: Individual
E-mail: mylef@hmcmtg.com
Submitted on: 3/19/2012

Comments:

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 5:37 PM
To: HSGtestimony
Cc: linuspaulingjr@gmail.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Linus Pauling Jr MD
Organization: Individual
E-mail: linuspaulingjr@gmail.com
Submitted on: 3/19/2012

Comments:

AOAO Board members are volunteers, usually with limited time available for Board business. I, for one, am not willing to spend large amounts of time when alternative opportunities for complaints and suggestions by owners are available at regular Board meetings and by letter. This Bill infringes on the right of AOAO Boards to regulate their own procedures.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 7:54 PM
To: HSGtestimony
Cc: alshaver@mac.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Ann S. Shaver
Organization: Individual
E-mail: alshaver@mac.com
Submitted on: 3/19/2012

Comments:

I rise in opposition to this bill. I am currently an officer or director of three different condominium associations and I have served on two others as well.

It is my experience that often a disgruntled owner wants to grandstand and be disruptive, holding forth without limitation. Associations should be allowed to make their own rules providing for limitations on orations at meetings.

Thank you!

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 9:19 PM
To: HSGtestimony
Cc: janweber@otterbediving.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Jan C Weber
Organization: Individual
E-mail: janweber@otterbediving.com
Submitted on: 3/19/2012

Comments:

As the board president of Kona Mansions V AOA Inc, I feel this bill would be harmful to AOAOs by now allowing the State of Hawaii to micromanage our meetings. Many AOAOs have already adopted rules regarding special meetings. Please do not allow this bill to pass into law.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 19, 2012 9:43 PM
To: HSGtestimony
Cc: glenn.stockton.ii@gmail.com
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Glenn Stockton
Organization: Individual
E-mail: glenn.stockton.ii@gmail.com
Submitted on: 3/19/2012

Comments:

I currently serve as a member of the board of directors and president of the Kahana Villa Association of Apartment Owners located on the island of Maui.

I am OPPOSED to SB 2465 SD1 because it attempts to micromanage all associations in an inappropriate way.

Many associations adopt these rules to get their business done. Different associations have limits on debate. That should be their call. A meeting with 100 people will have to have different time limits than a meeting with 20 people.

Unilaterally dictating association meeting rules based upon limited written testimony (from Mr. Port) is not only unfair but a gross attempt at partiality to a very limited number of persons at the expense of many other associations.

Thank for for your consideration.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 20, 2012 7:48 AM
To: HSGtestimony
Cc: drobinson@onekalakaua.net
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Dee R obinson
Organization: Individual
E-mail: drobinson@onekalakaua.net
Submitted on: 3/20/2012

Comments:

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 20, 2012 7:49 AM
To: HSGtestimony
Cc: lvroutt@onekalakaua.net
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Linda Vares-Roult
Organization: Individual
E-mail: lvroutt@onekalakaua.net
Submitted on: 3/20/2012

Comments:

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 20, 2012 2:52 PM
To: HSGtestimony
Cc: rayopm@hismail.net
Subject: Testimony for SB2465 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2465

Conference room: 325
Testifier position: Oppose
Testifier will be present: No
Submitted by: Raymond Oishi
Organization: Oishi's Property Management
E-mail: rayopm@hismail.net
Submitted on: 3/20/2012

Comments:

AOAO (with Board of Directors' recommendations) should be allowed to determine debate/speaker time limits for annual meetings.

Robert's Rule of Order Newly Revised 10th Edition Page 378, Line 15

"In a convention-where the limits of debate generally need to be stricter than in a local society-such a modification is usually adopted in the form of a standing rule of the convention (59), requiring a two-thirds vote in such a case."

Robert's 10 minutes - too long, subject to abuse.

Maximum of 3 speakers for and 3 speakers against is problematic.