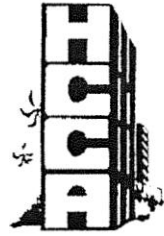


**Hawaii Council of Associations
of Apartment Owners**
DBA: Hawaii Council of Community Associations
1050 Bishop Street, #366, Honolulu, Hawaii 96813



January 30, 2014

Rep. Angus McKelvey , Chair
Rep. Derek K.S. Kawakami, Vice-Chair
House Committee on Consumer Protection and Commerce

Re: HB2482 RELATING TO CONDOMINIUMS
Hearing: Mon., Feb. 3, 2014, 9 a.m., Conf. Rm. #325

Chair McKelvey, Vice-Chair Kawakami and Members of the Committee:

I am Jane Sugimura, President of the Hawaii Council of Associations of Apartment Owners (HCAAO dba HCCA).

HCAAO agrees with the intent and purpose of the HB2482 and, accordingly, we ask that you pass out this bill.

Thank you for the opportunity to testify on this matter.


Jane Sugimura
President



**HAWAII STATE ASSOCIATION OF PARLIAMENTARIANS
LEGISLATIVE COMMITTEE
P. O. Box 29213
HONOLULU, HAWAII 96820-1613
E-MAIL: HSAP.LC@GMAIL.COM**

January 31, 2014

Honorable Rep. Angus L. K. McKelvey, Chairman
House Consumer Protection and Commerce Committee
Conference Room 325
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

Honorable Rep. Derek S. K. Kawakami, Vice Chair
House Consumer Protection and Commerce Committee
Hawaii State Capitol, Room 325
415 South Beretania Street
Honolulu, HI 96813

RE: Testimony in SUPPORT of HB2482; Additional COMMENTS included; Hearing Date Monday, February 3, 2014 at 2:10PM in House conference room 325; sent via Internet

Aloha Chair McKelvey, Vice-Chair Kawakami, and Committee members,

Thank you for the opportunity to provide testimony on this bill.

The Hawaii State Association of Parliamentarians ("HSAP") has been providing professional parliamentary expertise to Hawaii since 1964.

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 1,400 meetings in over 30 years). I was also a member of the Blue Ribbon Recodification Advisory Committee that presented the recodification of Chapter 514B to the legislature in 2004.

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.

This testimony is presented in SUPPORT of proposed technical changes to HRS Chapter 514B, known as the Condominium Property Act.

Chapter 514B was enacted in 2004 (Act 164). Since its enactment, there has been time for many of the stakeholders to experience the effects of the Chapter on numerous associations. The technical corrections in the bill represent part of that experience.

We suggest a couple of other changes, based upon existing errors that somehow became law.

1. HRS §514B-103(a)(2) refers to a fidelity bond requirement in HRS §514B-43(a)(3)¹. **This reference is incorrect and subsection (a)(3) does not exist.** The reference should be HRS **§514B-143(a)(3)** which relates to insurance.
2. **The use of “section” and “subsection” is inconsistent throughout the Chapter and should be corrected.** Please let me know if you need a Ramseyer document with these corrections.
3. **HRS §514B-140(d)(3)(A) relating to “Additions to and alterations of condominium” contains an incorrect word.** It states in part,

“(A) The board shall have the authority to install or cause the installation of, or lease or license comment [sic] elements for the installation of solar energy devices and wind energy devices on the common elements of the project; provided that solar or wind energy devices shall not be installed upon any limited common element without the consent of the owner or owners of the unit or units for which use of the limited common element is reserved; and”

The work “comment” should be changed to “common”.

I request that you pass this bill out of committee with the above corrections.

If you require any additional information, your call is most welcome. 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: cn=Steve Glanstein, o, ou,
email=Steveghi@Gmail.com, c=US
Date: 2014.01.31 14:13:08 -10'00'

Steve Glanstein, Professional Registered Parliamentarian
Chair, HSAP Legislative Committee

¹HRS §514B-43 is entitled, “Liens against units” and is unrelated to HRS §514B-103.

**PRESENTATION OF THE
REAL ESTATE COMMISSION**

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2014

Monday, February 3, 2014
2:10 p.m.

TESTIMONY ON HOUSE BILL NO. 2482, RELATING TO CONDOMINIUMS.

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Scott Sherley and I am the Condominium Review Committee Chairperson of the Hawaii Real Estate Commission ("Commission"). The Commission appreciates the opportunity to present testimony on House Bill No. 2482, Relating to Condominiums. House Bill No. 2482 purports to make technical non-substantive amendments to the condominium law. In some instances the proposed amendments appear more substantive with unintended consequences than they are technical and non-substantive. Therefore, the Commission has some concerns and opposes certain portions of House Bill No. 2482 for the following reasons.

Specifically, section 6 on page 4 of House Bill No. 2482, relating to the collection of past due assessments from a non-owner-occupant's tenant, proposes to amend Hawaii Revised Statutes ("HRS") §514B-145 (g) by removing the option of unit owners approving a change in policy at an annual or special meeting. The Commission is concerned that removing the option of voting at a meeting may cause unintentional harm to the owner-occupant unit owner in situations where the owner-occupants make up a minority in a condominium association. Section 7 on the same page, relating to

the termination of a delinquent unit's access to the common elements and any and all services normally supplied or paid for by the association, proposes to amend HRS §514B-146 (f). This may have the same unintended consequence, and again, the Commission has concerns that the owner-occupant voice may be weakened by removing the option of voting at a meeting. Similar proposed language on page 7 in paragraphs (B) and (C), continuing on to page 8, relating to investment decisions raises the same concern over the potential weakening of the owner-occupant owner's voice.

Finally, section 8 on page 5, which proposes to amend HRS §514B-149 (b) (3) is unclear. As currently written, it does not require a majority of unit owners to approve a lease rent collection system, but requires only approval at an association meeting by a "vote of a majority of the unit owners". The Commission believes this could lead to the unintended result of a plurality of unit owners effecting a change to association policy. The Commission has concerns that comparable language on page 9, proposing to amend HRS §514B-150, would achieve the same result.

For the reasons discussed, the Commission opposes House Bill No. 2482 as drafted.

kawakami3-Benigno

From: mailinglist@capitol.hawaii.gov
Sent: Friday, January 31, 2014 8:29 PM
To: CPCtestimony
Cc: john-a-morris@juno.com
Subject: Submitted testimony for HB2482 on Feb 3, 2014 14:10PM

HB2482

Submitted on: 1/31/2014

Testimony for CPC on Feb 3, 2014 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
John Morris	Individual	Support	No

Comments: I am an attorney who represents condominium associations and I am testifying in support of SB 2482. HB 2482 makes small but worthwhile clarifications and corrections to the condominium law. Over the years, small discrepancies and inconsistencies can creep into the law, resulting in confusion and even disputes. While the potential for disputes exists in all laws, correcting obvious discrepancies and inconsistencies helps minimize the potential for disputes. Therefore, HB 2482 serves a valid purpose and should be passed. Thank you for this opportunity to testify

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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