

Richard Emery  
Vice President of Government Affairs  
Associa

### Opposition to HB 2588

Associa is America's largest association management company representing approximately 550 Hawaii associations. Associa is OPPOSED to HB 2588. Community associations are private entities, not governments. Residents vote for fellow homeowners to provide leadership—making decisions about operation, administration and governance of the community.

No Valid Purpose: Owners should be simply allowed to elect their representative based on qualifications not arbitrary term limits. In many cases it is difficult to obtain qualified board candidates, and a candidate should not be disqualified simply on time served. One could argue, similar to the legislature, that we already have term limits. If you don't get enough votes, your term expires. It is simply the majority owners' decision.

Ignores the Diversification of the Industry: With a proper vote of the owners, any association can amend its governing documents and establish term limits. The industry is diversified with many types and sizes of condominiums; all with varied governance requirements:

Size: Condominiums are as few as 2 units to over 1,000 units. Many times they are mixed-use. Term limits won't work.

Diversification: There are many types of condominiums with varied governance issues.

- Residential (high-rise, townhome, cluster home, single family ,combinations thereof)
- Commercial
- Industrial
- Agricultural
- Parking
- Storage
- Time Share
- Assisted Living
- Adult Active (Over age 55)
- Spacial
- Mixed-Use

The governance of each of these types varies and one size does not fit all. In simple terms, associations that want term limits can do so by a vote of its owners.



February 9, 2016

VIA WEB TRANSMITTAL

Hearing Date: Wednesday, February 10, 2016

Time: 2:10 p.m.

Place: Conference Room 325

Committee on Consumer Protection & Commerce  
House of Representatives, the 28<sup>th</sup> Legislature  
Regular Session of 2016

Re: Community Associations Institute's **Testimony in opposition to HB 2588**

Dear Chair McKelvey, Vice Chair Woodson and Committee members:

I am the Chair of the Community Associations Legislative Action Committee ("CAI"). We represent the condominium and community association industry.

CAI opposes HB2588, and similar bills that have been introduced in the past, as there has been no showing that the board members for condominiums, community associations and/or homeowner associations need to have term limits. For most communities, it is difficult to find owners that are willing to serve on the volunteer board. So there should be no arbitrary rule that prevents a current board member from re-running for the board.

More importantly, the democratic process should determine – like for all of you – who is elected to serve on the board, and this should not be determined by legislative action. Owners have the right to campaign and solicit votes or proxies if they want to run for the board, and the membership has the right to vote in favor of that candidate or in favor of the incumbent.

House Committee on Consumer Protection & Commerce

February 9, 2016

Page 2

Therefore, we respectfully submit that HB 2588 be held. Thank you for your consideration.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'C. Porter', written in a cursive style.

Christian P. Porter, Chair of CAI LAC Hawaii

From: John Brewer <johnb@hawaiianprop.com>  
Sent: Friday, February 05, 2016 10:29 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: Legislative Bill HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.  
Attachments: HB2588\_.pdf

Importance: High

Aloha,

Again, I strongly placing term limits on board members that are elected by the OWNERSHIP. HB2588 is a repeat of last year's failed HB670, so here are the same reasons I oppose HB2588 that I gave opposing HB670:

The most basic right, and duty, of the owners in a condominium association is to elect the Board of Directors.

In my opinion:

- 1) This bill takes away and limits the owners' rights.
- 2) This bill may 'force place' unqualified people on the Board.

If the owners want to elect the same owners to the Board to conduct the affairs of their association, that is their right.

In addition to the above reasons, I would like to know who came up with four (4) year terms. Would this only affect associations that have four (4) year term limits? I manage ten (10) Associations and serve on (by election of the owners) on two (2) boards, and none of them have four (4) year term limits.

This bill sure seems to be directed by a 'single entity' targeting a particular association, not guided or requested by the community association in general through its organizations like CAI Hawaii; seems be like the city council member's bill last year that wanted anyone with ten (10) or more non-poultry birds to get a permit!

Instead of the legislature wasting time and money on 'private' conflicts/issues like this that aren't a problem for the majority of condo associations or the residents of Hawaii. I feel our legislatures should be dealing with the real issues that have been elected to deal with that are affecting the majority residents, such as homelessness, the rail, and according to today's paper, here comes the ferry again!

Sincerely,


**John Brewer, CMCA®, AMS®**  
Senior Property Manager

Phone: 808-539-9722

Fax: 808-521-2714

E-mail: johnb@hawaiianprop.com

Front Desk: 539-9777

 HAWAIIAN PROPERTIES

This message is confidential. It may also be privileged or otherwise protected by work product immunity or other legal rules. If you have received it by mistake, please let us know by e-mail reply and delete it from your system; you may not copy this message or disclose its contents to anyone. Please send us by fax any message containing deadlines as incoming e-mails are not screened for response deadlines. The integrity and security of this message cannot be guaranteed on the Internet.

From: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 05, 2016 11:52 AM  
To: CPCtestimony  
Cc: bruceh@hmcmtg.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Bruce Howe	Hawaiiana Management Co Ltd	Oppose	No

Comments: This legislation is ill conceived and unnecessary Continuity on a board is imperative. Members who have served and contributed, know the history of a multitude of issues within a community. Probably more than property managers, new to an association. Who will teach the new people? How many costly mistakes will be made for everyone in an association because past history isn't available if only uninformed people serve on a board? Many owners do not want to be on a board. If you realize your responsibility, and truly educate yourself, it is a huge undertaking. Individual associations may impose term limits by amending their by- laws if they wish. That limitation should not be imposed upon the vast majority of associations who do not want or need it.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Discovery Bay <discoverybay@hawaii.rr.com>  
Sent: Friday, February 05, 2016 11:03 AM  
To: CPCtestimony  
Cc: repmckelevy@capitol.hawaii.gov  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

House Consumer Protection Committee

To whom it may concern:

I am writing to you in opposition to proposed Bill HB2588, Section 1 C which states: No person shall be elected as a member of a board of directors for more than two consecutive four-year terms; provided that this subsection shall not be construed to:

- (1) Limit the service of a holdover member if no person seeks candidacy for the holdover member's position; or
- (2) Prohibit the election of a former member to the board; provided that, at the time of the election, the former member has not served on the board for a period of at least one year.

Essentially, this is a bad Bill. The fiduciary duty of an elected board of director is to maintain consistency and continuity pertaining to the overall maintenance of the physical plant, fiscal solvency, and the enforcement of the Association's Declaration, By-laws, and House Rules.

By introducing board of director term limits there is a very real possibility of upsetting the continuity of an organization. There is also the possibility of losing the history as to why a procedure is in place or for that matter why one is not pertinent.

Further, if a member of a board proves not to be capable of carrying out their fiduciary duty, there are procedures in place to have that person, or if need be the entire board, removed from the board of directors.

Please, do not introduce Bill HB2588 as it is written. It has the potential of creating more harm than good.

Please contact me if there are any questions, or if there is a need for additional information.

Sincerely,

Chris Herndon, ARM  
General Manager, Discovery Bay  
1778 Ala Moana Boulevard  
Honolulu, Hawaii 96815  
Ph: 808-941-3307  
Fx: 808-946-3201  
Email: [discoverybay@hawaii.rr.com](mailto:discoverybay@hawaii.rr.com)

woodson2-Shingai

---

From: Kanani Kaopua <kananik@hawaiianprop.com>  
Sent: Friday, February 05, 2016 1:39 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: Legislative Bill regarding term limits for condominium/planned community associations

Aloha Chair McKelvey, Co-Chair Woodson and Committee Members,

I wish to submit testimony in opposition to HB 2588 for the following reasons:

- a) Boards always have difficulty in finding volunteers to serve on the Board of Directors as very few owners are willing to spend the time and effort required to serve on a board due to work and family obligations;
- b) limiting terms of board members reduces the effectiveness of the Board as institutional memory and continuity is lost resulting in hamstringing the board from performing their fiduciary duties in a timely and professional manner;
- c) HB 2588 goes against any one of the "Best Practices" principles for community association management;
- d) any decision on term limits should be left to the owners, either by voting members off the board, or amending the governing documents, NOT by legislative action

If passed, this bill will significantly undermine any association's ability to manage its affairs effectively.

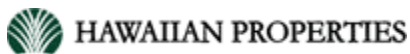
I strongly oppose HB 2588.

Thank you for your time,

**Kanani Kaopua, CMCA®, PCAM®**  
Vice President / Sr. Property Manager

Phone: 808-539-9501  
Fax: 808-521-2714  
E-mail: [kananik@hawaiianprop.com](mailto:kananik@hawaiianprop.com)

Front Desk: 539-9777



This message is confidential. It may also be privileged or otherwise protected by work product immunity or other legal rules. If you have received it by mistake, please let us know by e-mail reply and delete it from your system; you may not copy this message or disclose its contents to anyone. Please send us by fax any message containing deadlines as incoming e-mails are not screened for response deadlines. The integrity and security of this message cannot be guaranteed on the Internet.



Aloha Chair McKelvey, Co-Chair Woodson and Committee Members,

I wish to submit testimony on behalf of Myself, as an Association (County Club Village I) Homeowner and Property Manager in **opposition** HB 2588 for the following reasons:

- a) Boards always have difficulty in finding volunteers to serve on the Board of Directors as very few owners are willing to spend the time and effort required to serve on a board due to work and family obligations. Often, we try to encourage other Owners to get on the Board, however 99% of the time, the answer is NO thank you;
- b) limiting terms of board members reduces the effectiveness of the Board as valuable institutional memory and continuity is lost resulting in hamstringing the B from performing their fiduciary duties in a timely and professional manner;
- c) HB 2588 goes against any one of the “Best Practices” principles for community association management; and
- d) any decision on term limits should be left up to the owners, either by voting members off or amending the governing documents, NOT by legislative action.

If passed, this bill will significantly undermine any association’s ability to manage its affairs effectively. Again I strongly **OPPOSE** HB 2588.

Mahalo,  
Reiko Marino, CMCA®, AMS®, PCAM®  
Homeowner & Property Manager  
AOAO Country Club Village I

From: Linda Morabito <LindaM@hmcmgt.com>  
Sent: Friday, February 05, 2016 4:20 PM  
To: CPCtestimony  
Subject: HB2588 to limit number of terms served on community boards.

Aloha Committee: After 18 years of this business in Hawaii I can't count the times that communities, especially our resort communities were left without someone to serve on the board and the same people generously gave their time to keep the community business rolling. In addition to the lack of volunteerism associations are big business. The skill and expertise as well as business like demeanors of directors can make all the difference between successful and happy communities. Well run communities contribute to the economy, poorly run communities detract from our economy, both monetarily and aesthetically. Finally the history that long time board members can bring help members to build confidence that the association won't have to recreate the wheel every time the buildings need to be painted or the pump breaks. Lastly seldom have I encountered a board member that stays on the board to enforce his own agenda. Most members welcome getting off the board when they can. I really see no value in enforcing a term limit and am concerned that those that wish to limit terms have their own hidden agenda.

For those reasons limiting director terms is detrimental not only to the community itself and effects the cities and towns that benefit from them. Please do not support this bill and put it to bed once and for all.

Sincerely,  
Linda Morabito | Senior Management Executive  
Hawaiiana Management Company, Ltd.  
Palani Court, Suite 215  
74-5620 Palani Road | Kailua-Kona, HI 96740  
PH: 808.593.6381 | FAX: 808.331.1743  
[www.hmcmgt.com](http://www.hmcmgt.com) | [Lindam@hmcmgt.com](mailto:Lindam@hmcmgt.com)

From: Sunshine Hatto <sunshine@hmcmt.com>  
Sent: Sunday, February 07, 2016 2:30 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Legislative Bill regarding term limits for condominium/planned community associations  
Attachments: HB2588\_.pdf

Aloha,

My name is Sunshine Hatto. I live and work on the island of Kauai, in the field of association management and I oppose HB2588 which proposes the following:

**"No person shall be elected as a member of a board of directors for more than two consecutive four-year terms; provided that this subsection shall not be construed to: (1) Limit the service of a holdover member if no person seeks candidacy for the holdover member's position; or (2) Prohibit the election of a former member to the board; provided that, at the time of election, the former member has not served on the board for a period of at least one year."**

I've been involved in association management for over 17 years. I've managed associations big and small, including industrial parks, condo projects, resorts, and residential neighborhoods. A common theme among these associations is the difficulty in finding volunteers to serve on the board of directors. I therefore strongly believe dictating term limits will be problematic for many.

I also disagree on four years terms. If the purpose of HB2588 is to give everyone a chance to serve, then setting a four year term is counterproductive.

Each association has the ability to change the term limits of their community via amending their governing documents. This allows each association to tailor their requirements to their needs.

Here on the island of Kauai we have many small condos and planned community associations. We have several associations with just six units, ten units, etc. With numbers that low, it will be difficult to find willing participants to volunteer for their community.

I suggest eliminating this bill and continuing to allow each association to pursue changing their term limits to meet each individual association's needs. This is already possible via amending their governing documents. Please continue to allow these associations the ability to find the process that works best for them, and give the state one less law to manage and control.

Thanks,

Sunshine Hatto | Director  
Hawaiiana Management Company, Ltd.  
Kukui Grove Executive Center, Suite 110  
4370 Kukui Grove Street | Lihue, HI 96766  
PH: 808.792.0515 | FAX: 808.245.6583  
[www.hmcmt.com](http://www.hmcmt.com) | [sunshine@hmcmt.com](mailto:sunshine@hmcmt.com)





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

February 7, 2016

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. Justin H. Woodson, Vice-Chairman  
House Consumer Protection and Commerce Committee  
Hawaii State Capitol, Room 304  
415 South Beretania Street  
Honolulu, HI 96813

**RE: Testimony in OPPOSITION TO HB2588; Hearing Date: Wednesday, February 10, 2015 at 2:10PM in House conference room 325; sent via Internet**

Aloha Chair McKelvey, Vice-Chair Woodson, 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 1,500 meetings in 33 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 OPPOSITION of proposed changes to HRS Chapters 421J, 514A, and 514B.

HB2588 proposes to limit the terms of board members of all Planned Community Associations and condominium associations.

### **A. Similar proposals have already been rejected**

A review of the testimony on a similar proposal in 2010<sup>1</sup> shows overwhelming opposition with 31 of 32 pages of opposition testimony.<sup>2</sup>

A similar proposal was also presented in 2015<sup>3</sup> which was deferred by this committee. There was also overwhelming opposition with 76 of 86 pages of opposition testimony.<sup>4</sup>

The only support for term limits has come from specific and some well known homeowners who have been involved in various disputes with their associations. At least two of them were previously removed from their boards and others have lost elections several times in their condominium associations.

### **B. Condominium Associations and Planned Community Associations don't need legislation in order to establish their own term limits**

§514B-108(b) already requires that association bylaws provide for, “(3) The qualifications, powers and duties, terms of office, and manner of electing and removing directors and officers and the filling of vacancies.”

§514B-108(d) states, “Subject to the provisions of the declaration, the bylaws may provide for any other matters the association deems necessary and appropriate.”

Condominium associations may impose their own term limits **through their bylaws**.

Planned Community Associations have no provision in Chapter 414D (Non-profit Corporation Act) or Chapter 421J (Planned Community Associations) prohibiting an association from imposing term limits.

All of these associations are required to follow the current edition of Robert's Rules of Order Newly Revised which provides examples of term limits in §§47 and 56.

At least one Planned Community Association (Waikoloa Village Association) has amended their bylaws to implement term limits.

---

<sup>1</sup> [http://www.capitol.hawaii.gov/session2010/Bills/SB2223\\_.HTM](http://www.capitol.hawaii.gov/session2010/Bills/SB2223_.HTM)

<sup>2</sup> [http://www.capitol.hawaii.gov/session2010/Testimony/SB2223\\_TESTIMONY\\_CPN\\_02-05-10.pdf](http://www.capitol.hawaii.gov/session2010/Testimony/SB2223_TESTIMONY_CPN_02-05-10.pdf)

<sup>3</sup> [http://www.capitol.hawaii.gov/session2015/bills/HB670\\_.htm](http://www.capitol.hawaii.gov/session2015/bills/HB670_.htm)

<sup>4</sup> [http://www.capitol.hawaii.gov/Session2015/Testimony/HB670\\_TESTIMONY\\_CPC\\_02-09-15\\_.PDF](http://www.capitol.hawaii.gov/Session2015/Testimony/HB670_TESTIMONY_CPC_02-09-15_.PDF)

**C. This proposal appears to be an attempt to create a legislative answer for one or more individuals to be able to get elected to a board.**

The bill contains an exception to the term limit by stating in part, “provided that this subsection shall not be construed to: (1) Limit the service of a holdover member if no person seeks candidacy for the holdover member’s position; or (2) Prohibit the election of a former member to the board; provided that, at the time of election, the former member has not served on the board for a period of at least one year.”

If an association has one or more board members that reach the term limit, **then they will be forced out of office by any owner who makes a nomination to the board,** regardless of motivation or qualification.

**This also means that board members exceeding the term limit will BE DISQUALIFIED for one year by that one nomination, EVEN IF A MAJORITY OF OWNERS want the original board member on the board.**

In other cases, elections could be deadlocked if they have a majority of unit owners requirement for election (such as Honua Kai on Maui).

**The bill diminishes the owners' rights to self determination and places one person's desire to be on the board more important than the rights of the owners to determine who shall serve their association.**

It's simply a bad idea.

Individuals should not be permitted to use the legislative process to circumvent an established process for election to their association board.

All owners have the right to take advantage of the proxy solicitation rules. When the notice of solicitation of proxies is posted, any owner may request association funds for proxies and have their statements sent to all owners for election consideration.

Hawaii has an unknown number of Planned Community Associations. Many of these associations have similarly sized boards. PCA sizes can vary from a couple of homes to thousands such as the case of Maui Lani Association, Waikoloa Community Association, or Mililani Town Association.

Hawaii has over 1,700 condominium associations or more than 170,000 homes. It is estimated that 1 out of 4 people live in Planned Community Associations or condominium associations.

**The legislature should not be fooled into overriding the rights of these associations and their owners without a compelling public interest. None has been demonstrated.**

The **owners** should decide the membership of their board, **not our legislature** or a small group of dissatisfied individuals.

**We ask that you send a clear message about this issue by holding HB2588.**

I look forward to any discussions of this proposal. 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, Chairman  
Professional Registered Parliamentarian  
HSAP Legislative Committee



From: mailinglist@capitol.hawaii.gov  
Sent: Thursday, February 04, 2016 11:27 PM  
To: CPCtestimony  
Cc: mjgolo@email.phoenix.edu  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/4/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mike Golojuch	Palehua Townhouse Association	Oppose	No

Comments: Our Townhouse Board strongly opposes HB2588. We have a hard enough time getting people to fill our board seats. In fact we have a vacancy for over four years. We ask every new homeowner who moves in if they would like to serve on the board. They usually say they don't have time or they don't want to be on the board. Term limits may sound good but they are impractical for most AOAOs. Please do not burden us with unnecessary restrictions.

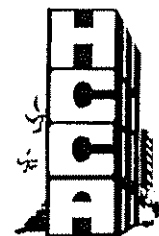
Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



**Hawaii Council of Associations  
of Apartment Owners**  
**DBA: Hawaii Council of Community Associations**

1050 Bishop Street, #366, Honolulu, Hawaii 96813



February 6, 2016

Rep. Angus McKelvey, Chair  
Rep. Justin Woodson, Vice-Chair  
House Committee on Consumer Protection & Commerce

Re: Testimony in Opposition to  
HB2588 RELATING TO COMMON INTEREST COMMUNITIES  
Hearing: Wed., February 10, 2016, 2:10 p.m., Conf. Rm. #325

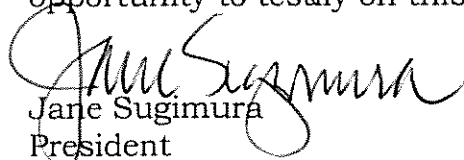
Chair McKelvey, Vice-Chair Woodson and Members of the Committee:

I am Jane Sugimura, President of the Hawaii Council of Associations of Apartment Owners (HCAAO dba HCCA). This organization represents the interests of condominium and community association members.

HCAAO has strong concerns regarding this bill that would impose term limits on Board members. We have testified against similar measures in the past and will continue to oppose term limits for Board members on the grounds that the concerns underlying this bill and similar previous measures are based on circumstances that do not apply to a majority of condo and community associations. I am aware that there are unit owners (in condos) and homeowners (in community associations) that may be unhappy with their board members and wish to replace them; however the governing documents and the statutory authorities for these common interest communities, i.e., Chapters 421J-3.5(c), 514A-82(b)(1) and 514B-106(f), have provisions for removal of those persons. Imposing a "blanket" rule on term limits creates more harm than good in the governance of community associations.

We incorporate the comments of Steve Glanstein of the Hawaii State Association of Parliamentarians in opposition to this measure.

For the reasons set forth, HCCA respectfully requests that you defer action on this bill. If you have any questions, please feel free to contact me. Thank you for the opportunity to testify on this matter.

  
Jane Sugimura  
President

From: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 05, 2016 9:11 AM  
To: CPCtestimony  
Cc: lynnehi@aol.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
lynne matusow	Honolulu Tower AOA	Oppose	No

Comments: Honolulu Tower is a 396 unit fee simple condominium. The Board of Directors of the Honolulu Tower Association of Apartment Owners voted unanimously to voice its opposition to term limits at its meeting on February 2, 2015. It appears that term limits rears its ugly head annually, and we continue to oppose them. Honolulu Tower regularly has turnover on our nine member board. We regularly have difficulty finding volunteers to serve on the board. At our 2015 annual meeting three board members voluntarily stepped down. As a result, there were no holdover members up for reelection. We had difficulty finding candidates. At the annual meeting only three persons came forward. Two were new owners. Our board is composed of long term and short term members with differing professional backgrounds. It is composed of long time owners and new owners. Each group offers a different perspective. As our building ages, we are faced with major renovations and repairs to keep it structurally sound. Discussions on these items take years, as does the repair work. Two weeks ago we reviewed bids for the on-going, multi-million dollar building envelope project, which includes spall repair, painting, waterproofing lanai, etc. The bids reflected a work span of between 365 and 435 calendar days. There was a 60% difference between the highest and lowest bid. We cannot afford to lose knowledgeable members who can guide us through the work, the reserve study, and the budget because people are told they can no longer serve. Institutional memory is important. Term limits should be a decision left to the owners, either by voting members off or amending the governing documents, not by legislative action. Beyond being unnecessary, this bill would undermine our ability, as well as the ability of all condominium associations, to manage our building effectively. We urge you to kill it now. for the Honolulu Tower Board of Directors Lynne Matusow, Secretary, 60 N. Beretania, #1804 Honolulu, HI 96817 531-4260

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Bob Raben <duffyboats@hawaii.rr.com>  
Sent: Friday, February 05, 2016 10:29 AM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED

Aloha,

Last year, a member of the legislature introduced a similar bill and I am surprised that you are still considering the issue.

If you lived in an association-directed housing situation, you might realize how important it is to get honest, fair dealing and civic minded people to serve on homeowner boards of directors, and how difficult it is to find and retain those same people to a non-paid, and many times exceedingly difficult position.

To restrict any association from retaining such individuals would be an injustice to those owners who have their largest investment depending on people with the judgement and more importantly the EXPERIENCE of running a multi-million-dollar non-profit corporation.

There always seems to be someone who, for any number of reasons, is unhappy with a member or members of their board of directors and who is unable to change things as intended by Section 514b of the Hawaii Revised Statutes, which dictates how boards operate.

For those people who seem to be unelectable by their fellow homeowners, there always seems to be a legislator who is eager to sponsor legislation or an attorney to bring legal action.

It is criminal to waste time on these activities when you could be doing a lot more good dealing with matters that affect the entire population of Hawaii rather than people who can't get what they want through the established procedures that have served us so well in the past.

Bob Raben  
President  
AOAO The Moorings  
Hawaii Kai, Oahu

woodson2-Shingai

---

From: Surf Seattle <surfseattle@comcast.net>  
Sent: Friday, February 05, 2016 11:29 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony FOR; Hearing Date: 2/10/2016 2:10 p.m.

I believe it is in the best interest of each and every individual Condominium Homeowner that HOAs have Term Limits for Board Directors.

I am a Board Director for Coconut Plantation HOA in Ko Olina and firmly support Term Limits for Board Directors of Condominium Associations.

The problem is that HOA Boards can also unfairly take advantage of Proxy votes to re- elect themselves indefinitely and it can create a problematic situation for Homeowners who are not part of the "clique".

Term Limits are one of the few ways to help reduce cronyism and potential abuse of power by HOA Boards and give opportunity for every individual Homeowner to have a chance to represent their HOA.

By the way, our HOA does have Term Limits for Board Directors and it has never been a problem or issue.

Thank You,

Patrick Repetowski  
Board Director  
Coconut Plantation HOA  
Kapolei, Hawaii

From: Haldia@aol.com  
Sent: Friday, February 05, 2016 11:42 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; Rep. Tom Brower  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

2-5-16

Here we go again. The legislators of our State are trying to make things more difficult for condominiums and home owner associations, by allowing his ugly legislation to rear its head again.

I have been involved with condominiums since 1976. My involvement has been as a renter, a homeowner, an administrator and a board member. During that time, I have educated myself by attending IREM courses, CAI seminars and reading as much as I can to make myself an asset to my building.

First, before casting a vote, you should check with specialists in the condominium community. By that I mean CAI (Community Association Institute Hawaii) board members, and property management people.

I am really unaware of how many associations have 4 year officer terms. Generally, the terms are for 2 or 3 years, and they are staggered. I ask you verify your source of information.

Continuity on a board is imperative. Members who have served and contributed, know the history of a multitude of issues within a community. Probably more than property managers, new to an association. Who will teach the new people? How many costly mistakes will be made for everyone in an association because past history isn't available if only uninformed people serve on a board?

Many owners do not want to be on a board. If you realize your responsibility, and truly educate yourself, it is a huge undertaking.

We have 126 units in our building, Seaside Towers. A high majority are investor owners. Unfortunately, many are interested in their "bottom line", not the association. They too do not want to be involved.

At our annual meetings, we announce the number of board terms expiring. We ask for volunteers since none come forth before the meeting. Do you know what? A vast majority of time, no one stands up. Again, the owners do not want to be involved.

This is bad legislation. It is my opinion that whomever is behind this has a personal, narrow agenda and unfortunately, is not thinking about the damage this could do.

Yes, we have bad board members. Yes, we have bad property managers. It comes with any business.

I ask that you kill this bill totally. It just keeps rearing its ugly head.

Diane Tippett, Board member

Seaside Towers Condominium

435 Seaside Avenue

Hon, HI 96815

home phone: 808-926-0269

From: Boschee, Janet <Janet.Boschee@boh.com>  
Sent: Friday, February 05, 2016 3:00 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

Importance: High

Please be aware that many AOA0's have a hard time filling their boards. Not many owners are interested in spending their spare time attending meetings with no apparent appreciation from their complex they are representing. I can't even imagine if there is a mandatory term limit set. Many if not most AOA0's will be strapped to find interested owners to serve at all. Please do not pass this bill!!!!

I believe individual AOA0 boards can -- if they really want to -- pass their own rules setting term limits without ALL AOA0's having to deal with this unrealistic bill. Maybe the owners that are requesting these terms to be set should deal with setting the term rule within their own AOA0's rules and regulations. Or they need to get other owners involved enough to overthrow the standing board without involving ALL AOA0's. However, I believe they are requesting this term limit bill because they are themselves unable to get enough interested owners to overthrow their standing board.

If they get this bill approved it WILL cause hardship for most AOA0's to fill their board every year! Unfortunately we live in a world where many individual owners do not want to participate in the governing of their own neighborhoods but just like to complain about those that do take the time and interest to make the hard decisions and sit on a board.

Thank you for your consideration in this matter.

Janet Boschee  
The Royal Palm at Wai p i o  
94-1359 Kul ewa Loop, #16C  
Wai pahu, HI 96797



From: mslaurah@hawaii.rr.com  
Sent: Sunday, February 07, 2016 2:06 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED

I am opposed to this bill. Term limits can destroy a community association. We have to practically beg members to get on the board as is. If the few volunteers we have now had term limits we would not have a board. At most we would be taken over by dictators or mentally unstable people who would cause good people to quit and even cause lawsuits.

This should be left up to each community association to make their own rules on term limits if they need it. Board members work for their community and if their community members are dissatisfied with their Board of Directors it should be up to them to remove them or make term limits. Each and every Community is different this bill will cause harm to many.

We opposed this bill.

Laura Hirayama  
West Loch Estates

From: BobnDennis <bobndennis@aol.com>  
Sent: Friday, February 05, 2016 4:11 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; joanipt@hawaii.rr.com  
Subject: HB2588

Honorable members of the Legislature:

My name is Robert Gentry and I am writing in strong opposition to HB2588. I serve as the President of The Tahitiene, Inc., a 28 unit cooperative residential building located at 2999 Kalakaua Ave., here in Honolulu.

I have served as President, and/or Board member of The Tahitiene, Inc for 15 years. I enjoy serving my residential community, and working with my Board colleagues and corporation staff, to support a fiscally healthy and vibrant living community. We could have never accomplished some of the goals we have developed if HB2588 was the law. Why? It would have been virtually impossible to attract a sufficient number of Board candidates to positions of leadership with any form of term limits in place. I would assert that the vast majority of HOA's, like ours, have a difficult time finding board candidates in the first place. Board positions are known to be "thankless" jobs, some fraught with time consuming policy development and enforcement that drives resident members away from seeking such positions. We should not make such volunteer positions more difficult to fill, and HB2588 does just that.

I have great faith in my neighbors and colleagues, and should I become an ineffective leader in my residential community, I am confident that the democratic process would move me aside. HB2588 sounds like it may be written for a specific HOA (or HOA's), where some resident members don't have the votes to change the leadership. If that is the case, Statewide legislation is not the answer. Professional consultation and some leadership training would be a good solution.

With Aloha,  
Robert Gentry  
2999 Kalakaua Ave., #201  
Honolulu, Hi. 96815  
923-4060

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 08, 2016 9:00 AM  
To: CPCtestimony  
Cc: albertd@hawaiianprop.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/8/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
AI Denys	Hawaii CAI LAC & Hawaiian Properties	Oppose	No

Comments: Aloha Chair McKelvey, Co-Chair Woodson & Committee Members, I wish to submit testimony in opposition to HB 2588 for the following reasons: a) Boards always have difficulty in finding volunteers to serve on the Board of Directors as very few owners are willing to spend time and the effort required to serve on a board due to work and family obligations; b) limiting terms of board members reduces the effectiveness of the Board as valuable institutional memory and continuity is lost resulting in hamstringing the Board from performing their fiduciary duties in a timely and professional manner; c) HB 2588 goes against any one of the "Best Practices" principles for community association management; and d) any decision on term limits should be left up to the owners, either by voting members off or amending the governing documents, NOT by legislative action. If passed, this bill will significantly undermine any association's ability to manage its affairs effectively. Again, I strongly oppose HB 2588. Mahalo. AI Denys VP Governmental Affairs Hawaiian Properties, Ltd.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Scott I. Batterman <sib@paclawteam.com>  
Sent: Saturday, February 06, 2016 10:16 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

I am the President of the Association of Apartment Owners of 909 Kapiolani.

I am also a licensed attorney in the State of Hawaii, whose practice involves representing both Associations of Apartment Owners and individual owners on a variety of issues arising under the Hawaii Condominium Property Act.

I write, in my individual capacity, but based on my experiences in both roles, in opposition to proposed House Bill No. 2588.

The proposed law is unnecessary, and contrary to the best interests of Associations of Apartment Owners.

- It is unnecessary because, as with any representative body, the Association can choose not to return a Member to the Board at the Annual Meeting. Interested owners can state their dissatisfaction with a Board, and can solicit proxies for that purpose. Special Meetings can be, and have been, called to remove Board Members.

If an Association believes that there should be term limits on its Board Members, they can seek to have that included in the By-Laws, without the need for a law imposing this requirement on all Associations. To my knowledge, there is no general outcry among the Associations with which I have been involved for the State to step in and make such a significant change in the governance of their Associations.

- It is contrary to the best interests of Homeowner Associations, because those Board Members who have served multiple terms tend to be the most actively engaged, experienced and effective members of the Board. They serve as the institutional memory of the Board. Board Membership is a voluntary position; nobody on a Board receives compensation for their efforts, which can be quite time consuming. The only benefit that members of a Board receive is knowing that they're doing something good for their community. Barring the people who are most willing to make this commitment from serving on a Board would only weaken a Board.

Moreover, by promoting constant turnover, this law would act to increase the reliance of inexperienced Boards on Property Management Companies, in derogation of the concept of homeowner democracy.

It would also deprive the Association of the right to vote for the Board Members they believe are the most effective and capable in protecting the value of their property and in promoting the safety and welfare of their community. This is an unwarranted interference in both the property interests, and the political interests, of the Association.

This is a bad solution, in search of a non-existent problem. Accordingly, I strongly urge that this Bill be rejected.

Scott I. Batterman, Esq.

President

[AOAO 909 Kapiolani](#)

and

Clay Chapman Iwamura Pulice & Nervell

700 Bishop Street, Suite 2100

Honolulu, HI 96813

From: Cynthia Haines <cynthia1067@gmail.com>  
Sent: Monday, February 08, 2016 6:35 PM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: Comments on HB 2588

Regarding HB 2588, limiting terms of HOA board members.

I own many properties with HOA's and Boards. Like everything, there are positive experiences and negative.

I have never seen terms of 4 years, only 1 and 2. Which I think is great.

I usually see term limits of 2 - 2 year - which is also just right

What is see as the BIG problem in Hawaii is not the boards as much as the way proxies are allowed. We have 1 person who received a majority of proxies and single handedly made every decision during our annual home owner meeting - that is crazy. That should be evaluated.

-----

Cynthia Haines  
Broker-Owner  
Creekside Realty

Owner-Manager  
[www.TheBestBeachHouses.com](http://www.TheBestBeachHouses.com)

[650-940-1067](tel:650-940-1067) (cell)  
[650-475-1885](tel:650-475-1885) (fax)

\*\*\*\*\*

--

From: pacificoisland@aol.com  
Sent: Sunday, February 07, 2016 11:47 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: OPPOSED HB2588; Testimony HEARING DATE 2/10/16 2:10 P.M. !!!!!

To all whom it concerns,

This Bill, HB25888 will destroy our community.

The complexity of smaller planned communities, as well as large HOA's are challenging enough in attempts to get Owners to Volunteer so much time involved for such committed efforts.

Our Society, (HOA ) Kailua Country Estates LLC has 10 Owners and we are challenged with the lack of BOD volunteers every election.

To place such limits could essentially put us without a BOD and or put individuals on BOD that have created mayhem in the community. Worse than that, it could force the entire association to accept **anybody** who wanted to run because many of us would be term limited. That's not fair and is an unwarranted interference in our association's activities.

This Bill will also have a substantial negative impact on the values of our agricultural, planned community real estate.

Please vote NO on HB2588.

Douglas E Jones

VP Kailua Country Estates, LLC

Pres Jones Fire Protection Inc

[www.jonesfirepro.com](http://www.jonesfirepro.com)

Maui

woodson2-Shingai

---

From: Mike Loke <mike@mloke.com>  
Sent: Monday, February 08, 2016 11:19 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

---

From: Mike Loke [mailto:mike@mloke.com]  
Sent: Monday, February 8, 2016 11:10 AM  
To: 'CPCtestimony@capitol.hawaii.gov' <CPCtestimony@capitol.hawaii.gov>  
Cc: 'repmckelvey@Capitol.hawaii.gov' <repmckelvey@Capitol.hawaii.gov>  
Subject: Legislative Bill regarding term limits for condominium/planned community associations

A Testimony:

This legislation is ill conceived and unnecessary.

Continuity on a board is imperative. Members who have served and contributed, know the history of a multitude of issues within a community. Probably more than property managers, new to an association. Who will teach the new people? How many costly mistakes will be made for everyone in an association because past history isn't available if only uninformed people serve on a board?

Many owners do not want to be on a board. If you realize your responsibility, and truly educate yourself, it is a huge undertaking.

Individual associations may impose term limits by amending their by-laws if they wish. That limitation should not be imposed upon the vast majority of associations who do NOT want or need it.

Very sincerely yours,

Michael Loke  
President – Century Square Condominium  
1188 Bishop Street, Suite 2407  
Honolulu, HI 96813

Tel: 808-523-2368  
Email: [mike@mloke.com](mailto:mike@mloke.com)



From: Frank and Ernestine Tabrah <fetabrah@gmail.com>  
Sent: Monday, February 08, 2016 11:16 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HP 2588 Testimony OPPOSED; Hearing date 2/10/2016 2:10PM

A a resident homeowner in the Marco Polo for over 42 years, and board member for 14 years, I strongly oppose any arbitrary term limits.

New board (bd.) members usually have no understanding of their duties, responsibilities and limits to their authority; are unfamiliar with governing documents or the meaning of "fiduciary duty" and waste much time with inappropriate, often illegal suggestions. No one is born knowing the scope of the job and the learning time is substantial. After 2 years most bd. members are finally "getting it" and ready to be really useful. The burden on a Manager in constantly bringing a parade of inexperienced bd. members up to speed would seriously impede his performance.

In a large condominium such as the Marco Polo (572 units with an annual budget of nearly \$4,000,000) this is not a job for amateurs. Unfortunately, the state legislature has never seriously entertained the suggestion to require some mandatory education in condominium operations, governance and budgeting which could speed the learning process and effectiveness of new directors.

It is said that bds. "perpetuate themselves" by "voting themselves in" with proxies given them by other homeowners - this would not happen if owners were dissatisfied with their condo management.

It takes experience, knowledge and time to be an effective bd. member. Please don't make it harder with term limits.

Thank you for your careful attention to this important matter.

Ernestine Tabrah  
Marco Polo Condominium  
2333 Kapiolani Blvd., Apt. 3408  
Honolulu, HI 96826

woodson2-Shingai

---

From: Jayne Cloutier <jaynec@hmcmt.com>  
Sent: Tuesday, February 09, 2016 11:45 AM  
To: CPCtestimony  
Subject: RE: Legislative Bill - Response from Beachside Apartments Inc. in Waikiki

Legislative Bill regarding term limits for condominium/planned community associations H.B. No. 2588

---

From: CPCtestimony [mailto:cpctestimony@capitol.hawaii.gov]  
Sent: Tuesday, February 09, 2016 11:06 AM  
To: Jayne Cloutier  
Cc: CPCtestimony  
Subject: RE: Legislative Bill - Response from Beachside Apartments Inc. in Waikiki

What Bill number is this testimony for?

---

From: Jayne Cloutier [mailto:jaynec@hmcmt.com]  
Sent: Monday, February 08, 2016 11:25 AM  
To: CPCtestimony <cpctestimony@capitol.hawaii.gov>  
Cc: Rep. Angus McKelvey <repmckelvey@capitol.hawaii.gov>  
Subject: Legislative Bill - Response from Beachside Apartments Inc. in Waikiki

Beachside Apartments Inc. is a small 30 unit Leasehold CO-OP in Waikiki/Honolulu. As a valued board member I voice its opposition to term limits at its meeting on February 2, 2015. It appears that term limits rears its ugly head annually, and we continue to oppose them.

Beachside Apartments Inc. has a seven member board, and we just had our annual meeting 4 days ago. Luckily we are so fortunate that all board members will serve on the board and volunteer their precious time. Our terms are composed of short term members (1 year) with very different professional backgrounds and this gives us a good balanced opinion level.

Our building was built in 1959, and more and more of the "older" owners have passed away. It gets more and more difficult with losing their knowledge from the "old" days when this building was built. With 12 years living in this building and serving 12 years on this board, I am at this moment the only person in this building which still knows where exactly the waste pipes are going through the walls, and where the connections are. And let me tell you, many times the plumbing companies were happy that I knew, because they didn't know where to open up the walls when we had leaks inside the walls.

Our board members fiduciary duty is to protect the interest of all owners in our Co-op. We must act in good faith, obey the governing documents, comply with the condominium laws, and exercising the same degree of care and skills making decisions for the Co-op. We cannot afford to lose board members who have experience and skills which can lead us with planning projects, going over the budget and the reserve study, just because some people creating a bill which says they can no longer serve on the board.

Knowledge is important and helps to protect the building, owners homes, and/ or investment. Term

limits are a part of the Declaration and Bylaws of the association of home owners, and therefore any change should be a decision and left to the vote of the owners , not by legislative action.

This bill would undermine our ability to manage our building effectively in the best interest of our association, as well as the ability of all condominium associations. We urge you to kill it now.

Sincerely,

Beachside Apartments Inc., Board of Directors Jayne Cloutier, Board President, 423 and 429  
Kanekapolei Street, Honolulu, HI 96815, 808-221-5569

My husband and myself, we own at Beachside Apartments Inc. unit # 6, # 9 and # 27.

Jayne Cloutier | Management Executive  
Hawaiiana Management Company, Limited  
Pacific Park Plaza, Suite 700  
711 Kapiolani Boulevard | Honolulu, HI 96813  
PH: 808.593-6883 | FAX: 808.593-6333  
[www.hmcmgt.com](http://www.hmcmgt.com) | [jaynec@hmcmgt.com](mailto:jaynec@hmcmgt.com)

From: wmaoffice@comcast.net  
Sent: Monday, February 08, 2016 7:13 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

To Whom It May Concern:

This email is to advise that I am extremely opposed to HB2588 as it relates to term limits for condominium/planned community associations.

The reason for my opposition is that I have worked as a Community Manager on Molokai for the past eight years and during that time have dealt with multiple Directors elected to the Boards of both the West Molokai Association and the Papohaku Homeowners Association.

My experience is that if a board is dealing with issues that span over a large time period and they are working successfully to accomplish goals and objectives, it is best to keep those people in place rather than begin again with new board members. Also, it is very difficult to find owners willing to run for the board on Molokai as most owners are only part time and live either on the mainland or internationally and do not want to make the time commitment necessary to be a board member. The only way the WMA and Papohaku HOA are able to have board meetings is by holding them telephonically and even at that, it takes a bit of coordination due to the multiple time zones involved to schedule meetings when all board members are available.

The unfortunate scenario that we experience on Molokai involving board members is that in many years the Annual Meeting required by the Association's By-Laws, is adjourned due to lack of quorum. This owner apathy leads to current board members not being able to leave the board because there is no one wanting to replace them. We are lucky we have a number of dedicated owners in board positions that do not mind remaining on the board year after year when their neighbors do not even feel the need to send in a proxy so the association can hold the annual meeting. However, even if we have an annual meeting, owners don't want to be forced to accept any candidate just because many of our board members have served for several years. It is our owners' choice who they want to lead them. Don't take that away from our owners.

It would be a huge mistake to limit the terms for board members and I hope you will vote down HB2588.

Thank you for your time,

Barbara Cusick CMCA, AMS

Community Manager

West Molokai Association

Papohaku Homeowners Association

P.O. Box 321

Maunaloa, HI 96770

[wmaoffice@comcast.net](mailto:wmaoffice@comcast.net)

[papohakuhoa@comcast.net](mailto:papohakuhoa@comcast.net)

February 8, 2016



Testimony for Hearing before the  
Committee on Consumer Protection & Commerce  
House of Representatives, State of Hawaii

Hearing: Wednesday, February 10, 2016 at 2:10pm  
Conference Rm 325, Hawaii State Capitol  
[Testimony Sent via Internet]

RE: **STRONG OPPOSITION to HB 2588 Relating to Common Interest  
Communities - Condominium Term Limits**

To: Honorable Rep. Angus L. K. McKelvey, Chairman,  
Honorable Rep. Justin H. Woodson, Vice-Chairman,  
and your Committee Members

My name is Michelle M. Kakazu and I am currently the Executive Director of One Kalakaua Senior Living. Thank you for the opportunity to testify in **strong opposition to HB 2588.**

One Kalakaua Senior Living is a fee-simple condominium, senior living community (primary occupants are 55 years or older), as well as, a licensed Assisted Living Facility. The average age of the community is 87 years old and roughly 90% of our residents range in age from 80-99 years old. Our mission is to provide a gracious, friendly and secure residential community that offers residents and their families "peace of mind" through wellness and assisted living programs that support the continuum of care and aging in place. This "peace of mind" is achieved by having a well-run operation that is financially sound and headed up by good leadership (administration and the board of directors) serving the best interest of the community.

**Term-limits hurt condominiums because it forces good directors off the board.**

One Kalakaua Senior Living maintains a very good reputation in the community and a good record with the Department of Health that audits the operation for the Assisted Living license. This is primarily due to the fact that we have a very stable, experienced and caring board of directors. It is because of their "continuity on the board," that we are able to achieve this level of "quality of life" enjoyed by the residents. It is very difficult to get volunteers (even harder to find capable, fair, experienced volunteers) to serve on condominium boards, and even harder still, in an elderly community where people tend not to get involved, want to alleviate themselves of any stress/work, and may not have the ability (physically or otherwise) to serve accordingly. Therefore, when condominiums are fortunate enough to attain good board members, they do not want to lose them (for obvious reasons: operational and financial stability being the greatest reasons), especially when the pool of capable/willing individuals are so small. Term-limits hurt condominiums because it forces good individuals off the board.

(page 1 of 2)



**HRS 514B (condominium law) and the governing documents of condominiums already provide for the fair process of electing and removing of directors.** If a director is not serving the community well and should be removed, there should be enough support by the owners to do so via the voting process. The same exists for the individual who wants to get on the board; they should have enough support to do so via the regular voting process. If they do not have that support, they should not be on the board based on the majority of the community. As such, term-limits are not needed for the fair election or removal of directors; however on the flip side, term-limits unfairly remove directors whom owners do want to continue on the board (and if the pool of willing volunteers is small, such as in our elderly community, then good people are eventually removed and less qualified or less-supported individuals will get elected by default). This is not in the best interest of the community and could cause much turmoil and financial/operational instability (not to mention mental stress on the elderly individuals in the community), especially if there are individuals who want to force their way on to a board to serve their own interest.

Should this bill pass, the ensuing turmoil will have far reaching ramifications as it will affect the many condominiums in Hawaii that have enjoyed good leadership and stable operations for years. In turn, this could have a detrimental effect on the value and marketability of owners' property within such condominium regimes. **As such, this decision could potentially hurt real estate values in the long run, not to mention many lives.**

One Kalakaua Senior Living has now experienced many years of peace and stability of operations due to our very experienced, caring, but also elderly, board of directors. We would like to continue with this good leadership as long as they are willing to serve and as long as the voting community rightfully wants them to serve via the fair voting process already provided for in the law and our governing documents.

I urge you to vote against this bill. I trust you will make the right decision.

Thank you for allowing me to submit this testimony,

  
Michelle M. Kakazu  
Executive Director

(page 2 of 2)

From: Dianna Wallis <dwallisarch@gmail.com>  
Sent: Monday, February 08, 2016 7:32 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: "Re: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m."

To whom it may concern,

Rycroft Terrace is a 162 unit fee simple condominium association in Honolulu. As a valued board member of this Association I voice its opposition to term limits at its meeting on February 2, 2015. It appears that term limits rears its ugly head annually, and we continue to oppose them.

Rycroft Terrace has a nine member board, and we just elected three new board members at our annual meeting 10 days ago. We experienced difficulty finding volunteers to serve on the board. At our 2015 annual meeting it took us almost an hour to find owners willing to volunteer as board member and fill our open positions.

Our terms are composed of long term (3year and 2 year terms) and short term members (1 year) with very different professional backgrounds and 70% has no previous experiences as board members. Only a few have the experience or have the helpful knowledge through their professional background. We do have a good balanced opinion level, what gives us in discussions different viewpoints. Our building is not the youngest on the block and is in need of certain costly repairs (especially waste and drain pipes). Old galvanized pipes are a big problem in Hawaii and some major replacement projects need years of discussions, professional advice, planning, proposals, and financial solutions.

The board members fiduciary duty is to protect the interest of all owners in our association. We must act in good faith, obey the governing documents, comply with the condominium laws, and exercising the same degree of care and skills making decisions for the association. We cannot afford to lose board members who have experience and skills which can lead us with planning projects, going over the budget and the reserve study, just because some people creating a bill which says they can no longer serve on the board. Knowledge is important and helps to protect the association. Term limits are a part of the Declaration and Bylaws of the association of home owners, and therefore any change should be a decision and left to the vote of the owners , not by legislative action.

This bill would undermine our ability to manage our building effectively in the best interest of our association, as well as the ability of all condominium associations. We urge you to kill it now.

Sincerely,

Rycroft Terrace, Board of Directors Dianna Wallis, Board President, [1550 Rycroft Street, #426, Honolulu, HI 96814](#), [808-728-9160](#)



Sharon Oka, President

Board of Directors

AOAO of Alexander Arms

1320 Alexander Street, #905

Honolulu, Hawaii 96826

February 8, 2016

Honorable Representative Angus L.K. McKelvey, Chairman

Honorable Representative Justin H. Woodson, Vice Chairman

House Committee on Consumer Protection & Commerce

Hawai'i State Capitol, Conference Room 325

415 South Beretania Street

Honolulu, HI 96813

Subject: HB 2588, Relating to Common Interest Communities Testimony **OPPOSED**

Hearing date: Wednesday, February 10, 2016 @ 2:10 P.M.

Dear Chairman McKelvey, Vice Chairman Woodson, and Members of the House  
Committee on Consumer Protection & Commerce.

I am the President of the AOAO of Alexander Arms, and I oppose this bill.

Several Board members have been serving on the board over ten, and up to twenty  
nine years. All Board members of the AOAO of Alexander Arms serve without  
compensation as a service to our association.

Since we would be limited if this bill becomes law, owners would be FORCED to accept anybody who wanted to run, regardless of agenda, qualification, etc. that could result in the removal of the majority of the board members. That is not fair to the owners! Although we have a small board, we have had recruiting problems. Our Association also does not want to be forced by our government to take anybody who wants to be on the Board simply because our terms may be limited by you.

Thank you for the opportunity to submit this testimony.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sharon Oka', written in a cursive style.

Sharon Oka

February 9, 2016

Rep. Angus McKElvey, Chair  
Rep. Justin Woodson, Vice Chair

RE: HB2588 Relating to Common Interest Communities

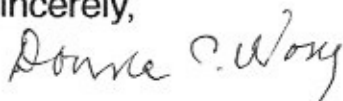
TESTIMONY IN FAVOR OF HB2588

My name is Donna Wong. My husband, Dr. James Wong and I bought a condominium in 1997 at One Kalakaua Senior Living. Today, I don't just own a condominium because the Board of Directors in 2002 made us an Assisted Living Facility without owners voting to be an Assisted Living Facility. Nothing was disclosed to owners about becoming an Assisted Living Facility. In 2002, the BOD and the Health Department decided to make One Kalakaua an Assisted Living Facility. Our maintenance fees has increased where today I pay \$2778.00 for myself and if my husband was alive I would be paying \$3541.00 for 2 people.

I am 96 years of age and living on a fixed income. My condominium has lost value because it is an Assisted Living Facility. Most Banks will not make a loan on One Kalakaua Senior Living due to the liability exposure of being an ALF which was a BOD decision and not the owners. Owners were not given the opportunity to vote. The Board has made changes to our By-Laws making it difficult for anyone else to get on the Board. Decisions are made by Board and owners are not involved in the decision making. WE NEED HELP FROM OUR LEGISLATORS TO ESTABLISH TERM LIMITS FOR OUR BOARD. PLEASE PASS THIS BILL FOR TERM LIMITS.

Thank you for your support. '

Sincerely,



Donna Wong  
Owner and member of Hui Malama O Hale

From: mailinglist@capitol.hawaii.gov  
Sent: Tuesday, February 09, 2016 1:55 PM  
To: CPCtestimony  
Cc: alohaaclay@hawaii.rr.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alice Clay	Hui Malama O Hale	Support	Yes

Comments: We need to have term limits so that we can have self- governance and have all owners be give the opportunity to speak up. BOD does not allow owner to speak at meeting which is unfair to all the owners who want to speak at meetings Please pass this bill .

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Kelvin Bloom <Kelvin.Bloom@ahrhp.com>  
Sent: Tuesday, February 09, 2016 1:23 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

Dear Sir/Madam & Representative McKelvey,

I'm writing to provide testimony in opposition of HB2588. I serve on a couple of different AOAO boards and my colleagues and friends serve on a number of others, some of these AOAOs are comprised of 50 units or less. At these various properties, we have quite a few owners who live on the mainland, Asia or Europe and are simply unable to commit to attending the meetings. Many more do not have any interest in serving on a board. Most of last year, one of our associations had 4 unfilled vacancies and despite a concerted effort to secure nominees at last month's annual meeting, we're still left with 2 unfilled vacancies.

If this bill were to pass, undoubtedly a number of AOAOs around the state will find themselves not only woefully short of experienced and interested directors but many are likely to fulfill a quorum. One of our industry's issues is a general lack of owner interest in serving on a board. In our experience, we have board election after board election of too few candidates for vacant positions.

Thank you for your consideration.

Kelvin Bloom  
Aqua-Aston Holdings, Inc.  
Aqua-Aston Hospitality, LLC  
Maui Condo and Home, LLC  
Tel: 808.931.1474  
Fax: 808.931.1484  
AHRHP.com

From: mailinglist@capitol.hawaii.gov  
Sent: Tuesday, February 09, 2016 1:29 PM  
To: CPCtestimony  
Cc: lila.mower@gmail.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lila Mower	Hui `Oia`i`o	Support	No

Comments: The pros and cons of term limits have been debated so often that most of us can recite them in our sleep: PRO: Term limits create an opportunity for an injection of new ideas, fresh energy, new expertise, and urges an active citizenry. PRO: Term limits prevent too much power from amassing in one person. PRO: Term limits prevent board members from becoming alienated in experience from constituents for too long, and avert the institutionalization of two classes of owners—those who serve and are treated as elites within the community, and those who do not and are not. PRO: Term limits curb self-serving interests or special interests from having too much or too enduring an effect on the health of the community, and PRO: Term limits provide a built-in exit strategy for those owners who are willing to serve but are not willing to be enslaved. CON: Term limits may cause the loss of experience, knowledge, and continuity, and CON: Term limits may require the inconvenience of orienting and training newcomers. Most condo associations have avoided this ambivalence to term limits by having staggered terms for board members; for instance, a nine-member board may designate that three seats stand for election each year, allowing a complete rotation of all nine seats by the end of the third year. This arrangement permits a blend of “old” directors to serve with the “new,” and maintains a continuity of knowledge and experience while allowing “new” directors to be mentored until they mature. This staggered arrangement, then, mutes the typical arguments of those who oppose term limits. HB2588 neatly addresses the residual concern that highly valued and popular directors will be prevented from future terms; under this measure, the required “sabbatical” is only a year. And this measure does not prohibit directors who have hit their term limit from continuing their service to the community as counselors or in committees. But opposition may still exist to this particular bill because term limits may be the ultimate back-stop in the event that all other attempts to curtail improper or illegal activity by a Board member fail. In associations where electoral fraud or misconduct may be occurring--but may be difficult to detect or to prevent because the electoral process does not fall under the jurisdiction of RICO and is in the care of management agents with a motivation to maintain the status quo, i.e., their employment--elections may not work to bring in new faces, but term limits might. Term limits also have the potential to encourage accountability: board members who know that they are not truly “elected” and do not have to stand for an honest election, may not feel the need to be accountable. With time, although it may have not been their original intent, many board members become comfortable in their despotism, and act with minimal restraint and often exercise arbitrary power, making unchecked major decisions beyond the influence of Owners. Term limits require that all “retired” board members, if so interested, stand for election one or more years later when re-election

may not be a given and may be out of their influence or control. The members of Hui `Oia`i`o support HB2588 with the suggestion that if an association currently prescribes a board term of less than three years, then that this amendment extends that term to three years with a two term limit. Or allows that association's board to have sequential terms that add up to no more than six years before they have met their term limit.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: pswider@hawaii.rr.com  
Sent: Tuesday, February 09, 2016 12:25 PM  
To: CPCtestimony  
Subject: RE: Testimony Against Legislative Bill For Term Limits

Importance: High

As it pertains to your question and I am quoting the Bill, it is:

H.R. No. aS88  
Section: 421 J-3

It is the only Bill pertaining to term limits on Community Association Board of Directors if that helps. Thank you.

---- CPCtestimony <cpctestimony@capitol.hawaii.gov> wrote:

> What Bill number is this testimony for?

>

> -----Original Message-----

> From: pswider@hawaii.rr.com [mailto:pswider@hawaii.rr.com]

> Sent: Monday, February 08, 2016 5:33 PM

> To: CPCtestimony <cpctestimony@capitol.hawaii.gov>

> Subject: Testimony Against Legislative Bill For Term Limits

> Importance: High

>

> To the Legislature pursuing to pass this Bill,

>

> I read the Legislative Bill proposed and am entirely AGAINST IT. Our Board Members care about our community and know MORE about it than non-board Members. I Support all existing Board Members stay intact until they resign or retire from the Board. Furthermore, let the Homeowners DECIDE and vote on their Board every two years, as THEY HAVE, not this unreasonable self-serving Bill that obviously the Legislature is being pressured by others to pass. Otherwise why did it not pass last year? Why has this community built in 1986 been successful without TERM LIMITS? Those questions answer themselves because "they are self-serving for the Legislature and not so much for the communities who will suffer from this Bill." I urge the Legislature NOT to pass this Bill I say this because we have been successful. Please let this be known as my Testimony. Thank you,

>

> Paul Swider

> Treasurer - Palehua Nani AOAO

>

>



From: Paul <jbspos@netzero.net>  
Sent: Monday, February 08, 2016 11:44 AM  
To: CPCtestimony  
Cc: repmckelevey@Capitol.hawaii.gov  
Subject: HB2588 Testimony OPPOSED. Hearing date 2/10/2016 2:10 pm

This Bill would cripple our small 29 unit condominium. A number of owners live on the mainland and could not serve, others are owners who do not live in the building, others who do and have served on the board in the past but travel often for lengthy periods of time and is hardly here half of the year. Take all those out and that leaves very few that could serve. And some of those are professionals too busy to serve on another board. At present we have a very capable board that functions well together who have all served at least 3 terms. I have been an owner from the beginning of the building occupancy in 1970 and have never known of any problems with board members.

With the passage of this bill, the election of a board could leave us without a board of directors!

Please consider these ramifications before you hastily vote on this proposal.

Paul O Schultz, Board President

AOAO Palo Alto, Honolulu, Hawaii

From: Jan Weber <janweber@otterbediving.com>  
Sent: Saturday, February 06, 2016 9:08 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED, Hearing Date 2/10/16 2:00pm

To Whom It May Concern:

As an owner in a Kona AOA, and also member of the Board of Directors, I am vehemently opposed once again to a bill such as HB2588... it is even worse than a similar one introduced in last year!

HOA/AOAs aren't being overrun by a large number of people wanting to volunteer to serve on their Board of Directors. It requires time and commitment, plus educating oneself, whether thru seminars, workshops, or meetings with the management company. For the most part, it is an unappreciated giving of time and energy; most owners don't acknowledge that sacrifice, but always ready to complain if there's something they're not happy with. However, when asked if they would like to volunteer to serve on the Board, they can't run away fast enough, or start the rhetoric of why THEY don't have the time.

So a bill such as HB2588, which has term limits, only HURTS the associations..

1) because there aren't enough people interested in volunteering to serve on these boards.

2) I don't know of any association with FOUR YEAR terms, so this comes across as a very personal issue directed at some specific association(s).

3) Most importantly, you, our elected representatives, should have much more important things to be working on, such as the economy of the state, ways to lower cost of living, address the homeless issue, etc. rather than dictating to associations term limits for their Board of Directors.

Our particular AOA by-laws call for a board of five to nine owners. When I was first elected to the Board of Directors in 2005, there was a board of seven. A few years later, with unfilled vacancies, owners having sold their units, etc. and no interest by owners to serve, the Board had to put to the membership the request to reduce the board of directors to five, even against our better judgment. Yes, I have served on the Board continuously since 2005, in roles as President, Secretary and Treasurer. Every time my term expired, I found myself agreeing to serve for another term... BECAUSE THERE WAS NO INTEREST from anyone else to fill that vacancy!

This bill should not be passed, as it will hurt the associations, rather than benefit. It is sad that a few unhappy owners can convince you, our elected state representatives, to get involved with trying to pass laws to govern our associations, which already have By-Laws already in place to govern ourselves..

Sincerely,  
Jan C. Weber  
Kona Mansions V AOA, Inc.  
Treasurer/Director

*Jan C. Weber*

Respect and Trust: The two easiest things in life for someone to lose and the hardest things to get back.

From: Don Theune <dtheune@redpeninc.com>  
Sent: Saturday, February 06, 2016 3:38 PM  
To: CPCtestimony; jmorris@hawaiicondolaw.com; 'Craig Richter'; Alan Yamashiro; Bryan Smith; Donald Higgins; Jerry Hidalgo; Joel Alverio; John Jefferis; Paul Leonard; TJ Nefzger  
Cc: Rep. Angus McKelvey; steveghi@gmail.com  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m

Aloha,

I was passed an e-mail today regarding a limitation on the length of time a Board member can be allowed to serve his or her community.

The Article I oppose is SECTION 1. Section 421J-3, Hawaii Revised Statutes, paragraph c, in its entirety. The following is a summary of my reasons for opposing these changes.

I am a member of the Board of Directors of the Hu'elani AOA (Incorporated) in Ewa Beach. I have been a member of our community's Board of directors for a total of 7 years, one year in 2002 when the community Board was first organized, and again elected for three year terms to serve in 2009 thru 2011, and 2012 thru 2014, and 2015 thru 2017. I served as the Secretary in 2002, was then appointed Treasurer to replace a resigning Officer of the Board member in 2009. After 2009 I served as President of the Hu'elani AOA beginning in November of 2009 and served thru November of 2015. I am currently serving as the Acting President for 2016, because I will be moving back to the mainland in May and did not run for reelection. Our community has 100 individual homes in a condominium community. This leaves us with a total of approximately 195 individuals that are eligible to serve as Board members, given the few homes where single individuals reside – under current Hu'elani documents.

This new restriction to what I assume is an attempt to limit the service of an individual to 8 years, will severely hinder the ability of the Board to govern in a manner that includes best practices for the management of the finances and capital assets of the Association. Approximately 25% of our community ownership is absentee, although it has been as high as 30%. A preponderance of the remaining members are not willing, or are not able to serve, for numerous reasons, including work hours, understanding of budgets and regulations, overwhelming need for time with family, and – most especially – unwillingness to participate in the politics of such duties.

We have instituted a President's/Residents' Open Forum that meets monthly and welcomes all residents, whether or not they are homeowners (apartment owners - in the Hawaii Condo Law documents). This venue that allows residents to voice their opinions of current activities, make suggestions regarding the management of the Association's assets, and give feedback on proposed efforts that affect the functioning of the Board, the harmony of the community, and the preparation of the annual budget, have succeeded in reducing complaints about the management of the Association to near zero – annually. At first these meetings were well attended with about 20 individuals bringing recommendations for discussion. In the past three years we have had FEW residents other than Board members attending these meetings, because the ideas brought before the Board were either explained to the satisfaction of the offeror, or management techniques, Rules, or Design Guidelines were changed as a result and to the satisfaction of the members of the Association.

Passage of a law requiring members to step down after 8 years would severely hurt the harmonious environment that this Board has worked hard to foster, and the associated turnover of Board members would severely, negatively affect the consistency of the 20-year capital budget required by current condo-law provisions.

There are other specifics in this proposed change, such as the process for removal of Directors by a majority at “any regular ....meeting” that need to be restructured to better define what a regular meeting is, since the current law requires the calling of a special meeting or an Annual Meeting, with the same announcement requirements as for Annual Meetings before Directors can be removed from the Board.

It seems that the text of this new proposal is a reflection of disharmony in some Associations. This may indeed be due to issues with individuals serving on these Boards, but more frequently reflect the opinion of a few – who typically do not appreciate the Rules and Bylaws of their Association.

I suggest that shortening the terms of Board members to comply with this new proposal will significantly exacerbate the ability of those Associations' Boards to govern and to maintain a harmonious community.

For the Cc'd individuals -----

These are the representatives who introduced this bad bill:

Sharon Har (586-8500) - Kapolei, Makakilo,  
Ken Ito (586-8470) - Kaneohe Maunawili, Olaman  
Derek Kawakami (586-8435) - Hanalei, Princeville, other parts of Kauai  
Angus McKelvey (586-6160) - West Maui, Maalaea, North Kihei  
Calvin Say (586-6900) - St. Louis Heights, Palolo, etc.  
James Tokioka (586-6270) - Waialua Homesteads, Lihue, etc.  
Gene Ward (586-6420) - Hawaii Kai, Kalama Valley  
Marcus Oshiro (586-6700) - Wahiawa, Whitmore Village

Sincerely,  
Don Theune  
Acting President  
Hu'elani AOA – Ewa Beach

woodson2-Shingai

---

From: Steve Glanstein <steveg@gmail.com>  
Sent: Sunday, February 07, 2016 2:55 PM  
To: CPCtestimony  
Cc: rkpisani5@gmail.com  
Subject: RE: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

Importance: High

Mr. Pisani had difficulty sending you his e-mail testimony. I've forwarded it from below.

Please confirm receipt; you're free to cut off my forwarding notes.

Steve Glanstein

---

From: RKPisani [mailto:rkpisani5@gmail.com]  
Sent: Sunday, February 7, 2016 12:45 PM  
To: Steveg@gmail.com  
Subject: Fwd: Testimony Condo Boards

Dear Steve,

My email was returned the one sent to [CPCtestimony@capitol.hawaii.gov](mailto:CPCtestimony@capitol.hawaii.gov). I need a corrected address or can you forward my testimony?

Mahalo  
Randy Pisani

Sent from my iPhone

Begin forwarded message:

**From:** RKPisani <[rkpisani5@gmail.com](mailto:rkpisani5@gmail.com)>  
**Date:** February 7, 2016 at 12:35:28 PM HST  
**To:** [CPCtestimony@capital.hawaii.gov](mailto:CPCtestimony@capital.hawaii.gov)  
**Cc:** [repmckelvey@Capitol.hawaii.gov](mailto:repmckelvey@Capitol.hawaii.gov)  
**Subject:** Testimony Condo Boards

Dear Sir or Madams,

I am on the Board for a 64 unit Condo Association, if this law were to go into effect we would have no Board. Most owners live out of state or in town and have no desire to be on a Board, we have to beg people to serve. The 5 of us that serve are the only interested parties. You would have to make an exception for small associations that don't have people who want to serve otherwise you will have associations that have no Board of Governors.

Mahalo,  
Randy Pisani  
Secretary PBBC Waianae

Sent from my iPhone

From: Ken Peters - Broker <kenp@diving.net>  
Sent: Friday, February 05, 2016 9:50 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m

Aloha

This is not a good bill or a good idea.

Condo associations are lucky to have a small number of owners that are even willing to serve on a board, let alone are active or willing to devote the necessary time. Often, board members that spend the time, and do a good job for the association are re-elected.

It is in the best interest of condo associations to continue with ELECTION of directors, not legislate their forced elimination.

It seems as though this legislation only serves to harm the continuity of management of a condo association by forcing out good directors to be replaced by those that were probably not electable or lack merit and qualifications.

Please defeat this poorly crafted measure.

Mahalo

Kenneth C Peters – Broker  
Member – National Association of Realtors  
Hawaii Association of Realtors  
West Hawaii Association of Realtors  
RB-21098  
Phone 808-333-9326  
Fax 888-980-9915

From: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 05, 2016 10:03 AM  
To: CPCtestimony  
Cc: kalelekai002@hawaii.rr.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alan Takumi	Individual	Oppose	No

Comments: This should be for the ownership to decide. I have had owners who want to run for the board, but have had radical ideas that the ownership did not approve of. I will support this if the legislators also establish term limits for themselves.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



From: Sue Savio <Sue@insuringhawaii.com>  
Sent: Friday, February 05, 2016 10:06 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588  
Attachments: HB2588\_.pdf

I have sat on various condo boards for a little over 40 years. I have been on one Board for more than 20 years and cannot get off. Every year at the annual meeting I beg for someone to run. No one does. Once I was the only board member and nothing could get done but emergency items. I waited a year to get all my emergency items approved. A condo needs a board to operate. Please do not restrict the business of condos further by allowing HB2588 to pass.

Term limits are not going to work. I have never sat on a board for just 2 terms as no one volunteers to do a thankless job.

Please do not let this bill pass.

Aloha,  
Surita Steinfeld  
808-526-9271

From: vossv001@hawaii.rr.com  
Sent: Friday, February 05, 2016 10:28 AM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: HB2588: Testimony OPPOSED

This proposed legislation is counterproductive to effective BOD governance. Our BOD terms are for 3 years. We have 114 units in our condominium and every year we have to beg owners to run or rerun for the 3 open positions. This legislation would in fact no doubt shut down our BOD for lack of a quorum.

Virginia Voss  
Director

From: Shraga Dachner <sdachner@telus.net>  
Sent: Friday, February 05, 2016 10:36 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588

Dear Sir/Madam,

I am opposed to the proposed HB2588 as it is a bad bill. Essentially, it cuts off continuity on Boards of Directors and disable Associations from learning of past mistakes and successes by eliminating "corporate knowledge" . Therefore insuring that the same mistakes will be repeated at great cost.

I am serving on the Board of the Waikiki Banyan, consisting of 876 units and mixed use commercial and have been doing so since 1984. During this time I served as President (20 years), Secretary and presently as Director. I have tried to quit several times, but, have been talked out of it by the other members of the Board desiring continuity and Corporate knowhow.

It is a common occurrence on our Board that new Directors/officers are changing as needed and that is determined by the owners voting their choices! There is no need for Big Brother interfering and dictating by taking away what Democracy granted.

HB2588 is a BAD IDEA! Kill it forever.

Respectfully,

Shraga Dachner

From: Curtis Tsuzaki <curtmaki14@gmail.com>  
Sent: Friday, February 05, 2016 10:43 AM  
To: CPCtestimony  
Subject: Fwd: Testimony against CPC bill

I am opposed to HB2588

----- Forwarded message -----

From: "Curtis Tsuzaki" <[curtmaki14@gmail.com](mailto:curtmaki14@gmail.com)>  
Date: Feb 5, 2016 10:40 AM  
Subject: Testimony against CPC bill  
To: <[CPCtestimony@capitol.hawaii.gov](mailto:CPCtestimony@capitol.hawaii.gov)>  
Cc:

I am against this bill. I have been on the board of Puu Heleakala for seven years. The longest term possible is 3 years after which one can be reelected. Length of term is 3, 2 or 1 year and depends on the percentage of votes won. I see no problem with limitless consecutive terms providing the person is voted back in and the reelection is not opposed by the majority of homeowners.

C. Tsuzaki  
Nanakuli

From: Ruth Ann <ruthann-herb@hawaiiantel.net>  
Sent: Friday, February 05, 2016 11:16 AM  
To: CPCtestimony; repmckelvery@Capitol.hawaii.gov  
Subject: HB2588Testimony OPPOSED

This is a bill that is not acceptable to most condo owners. In our condo many of the board members have served for many years, but at each general meeting three board members are up for re-election with requests from the owners to nominate from the floor also. The sitting board members are always re-elected without opposition.

This is a useless bill as no one else generally wants to accept the responsibility of board member but if they do, they certainly have the opportunity to do so already. With this bill you may have no one willing to serve or someone who is a poor choice being able to come on the board and replace an able board member who has served well.

woodson2-Shingai

---

From: Karen O'Neil <karenconeil@gmail.com>  
Sent: Friday, February 05, 2016 11:29 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

**Please count me opposed to bill HB2588. How Associations handle Board member issues should be done through individual AOA by-laws and rules.**

Karen O'Neil  
469 Ena Rd # 3107  
Honolulu, HI 96815

woodson2-Shingai

---

From: Maude <tanakawraps@gmail.com>  
Sent: Friday, February 05, 2016 12:08 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; steveghi@gmail.com  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

I totally opposed this bill. First, our board commitment is for two years. Second, it is too hard to find owners who want to be a board member.

I would gladly step down so there is a fresh face but no one wants to serve. I'm trying to keep the current members on board so we don't have an empty vacancy. It's hard enough to get a quorum during a meeting. This bill would make it even more difficult. As you know, the board is a voluntary position - a thankless job.

I'm hoping that other associations do not wish to have just any person to serve on the board that has his/her own agenda. It should be a consensus of the association not one person.

Concerned board member

From: Walter Ida <WALTER.IDA@territorialsavings.net>  
Sent: Friday, February 05, 2016 1:25 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: H.B. 2588 Re: Term Limits for Condominium/Planned Community Associations  
Attachments: HB2588\_.pdf

I am writing to you regarding H.B. 2588 (see attached) which would limit the number of terms a person could serve on the Board of Directors for a Condo/Planned Community Association. I strongly oppose this bill and the principal reason is the extreme difficulty such associations have in finding individual owners who are willing to serve on their Board. I personally serve on my condo association board and have experienced how difficult it is to find people who are willing to serve on the board. By passing this restriction, I would fully expect that there will be many condo boards that will not have the required number of members. This would create all sorts of issues and problems for condo boards and associations to complete things that need to be done.

For these reasons, as well as others that I have not stated, I oppose this bill and request that the bill not be passed.

Very truly yours,

Walter Y. Ida



woodson2-Shingai

---

From: rcm808@aol.com  
Sent: Friday, February 05, 2016 2:53 PM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

The subject should say:  
This bill should not even be considered!

Rose Miller  
999 Wilder Apt 1202

From: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 05, 2016 4:14 PM  
To: CPCtestimony  
Cc: govierj001@hawaii.rr.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/5/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susan Govier	Individual	Oppose	No

Comments: To Chairman McKelvey and CPC committee: Please OPPOSE HB2588. Owners should not have their right to vote for who they want on their board restricted and should not have their right to serve restricted. If an owner has a problem it should be settled using the remedies within the association-not legislated. Stability in an association's board is a positive; it is not a problem. Please OPPOSES HB 2588. Thank you, Mrs. Susan Govier Aiea, HI

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

woodson2-Shingai

---

From: affronherring@aol.com  
Sent: Friday, February 05, 2016 6:24 PM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED,Hearing Date 2/10/2016 2:10pm

To Whom it Concern,

I strongly Opposed this New Bill.

Thanks.

Affron.

**February 5, 2016**

**Dear Legislators,**

**I am writing to inform you that I strongly oppose House Bill No. 2588. As an investor, I have owned ten condominiums in Honolulu for many years. I learned long ago that it is greatly to the benefit of a condominium association to have board members who are willing to serve on the board for as long as they are owners.**

**Long-term board members understand the importance of enforcing House Rules. They make it a point of getting rid of prostitutes, drug addicts, and drug peddlers. They make certain that the association buildings are kept in good condition. They are willing to serve under difficult conditions, although they receive no pay or remuneration whatsoever.**

**I have also learned that people who want to serve for only one or two terms usually have some specific, self-serving reason for wanting to serve on the Board. These people are often the individuals who have repeatedly violated the HOA rules (such as playing loud music at night, allowing drug dealers to enter the property or pimping prostitutes out of their condo). These individuals often get angry for getting citations for violating the HOA rules. They then scream at Board members that they are being treated unfairly and they repeatedly run for election for the Condo Board in an attempt to get rid of established Board members.**

**One of the big dangers of this bill is that after a Board member is term limited, any ONE PERSON can prohibit the Board member from running for the Board by simply nominating ANYBODY, even if all owners wanted somebody else!**

**Thank you for your attention to this matter.**

*Carroll Henry*

**Carroll Henry**

From: Richard <richardjonesjr@gmail.com>  
Sent: Friday, February 05, 2016 10:18 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: B2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

Hello,

I'm opposed to this Bill, B2588. This Bill also looks as if it is coming from personally driven factors for personal gain. Basically whomever took boiler plate By-Laws and splashed this 4 year term all over the Bill in hopes of covering their bases.

This Bill would very much cripple a majority of Boards as Hawaii is a place where many buy but do not stay. This leaves a huge gap in availability and quality in applicants. Anyone can make dumb decisions, but the board needs to make sure the association lasts and survives trying times.

If great people are voted onto the board naturally they stay and if they are bad then the home owners will notice and during re-election they will not be back. Very simple process.

With this bill you will essentially run people off and DRIVE maintenance FEES even HIGHER!!!!

Regards,  
Richard

From: Cmc2548@aol.com  
Sent: Saturday, February 06, 2016 7:32 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

**To Our Legislators:**

**I am strongly opposed to the proposed legislation entitled HB2588 “A BILL FOR AN ACT RELATING TO COMMON INTEREST COMMUNITIES.”**

**I have been a condominium owner for many years and learned that the people who oppose allowing board members to serve indefinite terms are those who have some kind of personal grudge or animosity against their Board members due to citations owners may have received for House Rules violations either by themselves or by their renters. So they want the serving board members be removed and replaced with their preferred board members.**

**I appreciate this opportunity to express my views.**

**Carmela Constantino**

From: Karen Watson <kwatsonhi@gmail.com>  
Sent: Sunday, February 07, 2016 9:59 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB 2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

There are a limited number of individuals willing to volunteer to serve as a director on a board. This proposed bill reduces that pool of individuals even more.

Also, this proposed bill denies condo owners the right to select/vote for any individual whom they desire to serve on their condo board.

I am OPPOSED to this bill.

Karen Watson

From: mailinglist@capitol.hawaii.gov  
Sent: Sunday, February 07, 2016 1:00 PM  
To: CPCtestimony  
Cc: SherlBlod@aol.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/7/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Gladys Sherley Blodgett	Individual	Support	No

Comments: While I support the intent to limit terms of members of a board of directors, the language in the bill needs to be clarified. Bill appears to limit terms to eight (8) years (two consecutive four-year terms; however, in the event directors are elected for two-year or three-year terms, would the bill apply to two terms or is it intended to be 4 two-year terms and 3 three-year terms?

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



From: Ann Shaver <alshaver@me.com>  
Sent: Sunday, February 07, 2016 9:05 PM  
To: CPCtestimony  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

CONSUMER PROTECTION COMMITTEE

Wednesday, February 10, 2016, 2:10 p.m., Conference Room 325

HB2588 Relating to Common Interest Communities

TESTIMONY  
Ann Sack Shaver, Ph.D.

Chair McKelvey, Vice Chair Woodson and Committee Members: Belatti, Brower, Creagan, Fukumoto Chang, Har, Hashem, Kawakami, Lee, McDermott, Nakashima, Oshiro, San Buenaventura, Takayama, and Yamane

**I strongly oppose HB2588.** It is counterproductive to creating well-functioning Common Interest Communities governed by competent boards of directors.

Effective Common Interest Community board members must master a variety of subjects and exhibit a variety of skills.

Board members must be knowledgeable about state, federal and local regulations governing personnel practices; fire code regulations; rules governing assistance and comfort animals; and the like. They must understand budgeting and financing. They must work compatibly and effectively with the property manager and the building manager. They must interact fairly and objectively with owners and residents of the property. They must understand arcane subjects such as concrete spalling, roof maintenance and piping and conduits. Few newly elected board members have already mastered these numerous and varied skills.

Most groups have difficulty finding volunteers to serve as board members, much less individuals with requisite knowledge and ability to be effective. Adding an arbitrary limit to service time makes it less likely that the board will be able to act in the best interest of all owners, with longer-serving board members mentoring newer members.

Community members can be trusted to act in their own best interests. Rather than a state law regulating length of service, voters within the Homeowners' Association can be relied upon to judge who should remain on the board of directors and who among the community should be elected to join the board and develop the requisite skills. Ineffective and self-serving board members can be removed in accordance with the homeowner association by-laws or not reelected.

Thank you for allowing me to testify.

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 08, 2016 10:38 AM  
To: CPCtestimony  
Cc: aanderson@alf-hawaii.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/8/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Anne Anderson	Individual	Oppose	No

Comments: I oppose HB2588. Condominium owners ought to be able to elect directors of their own choosing. They are free to amend their governing instruments to create term limits if they wish and they are free to remove directors or vote against incumbents. How long a particular board member should serve should be decided by the owners and not controlled by term limits. Sincerely, Anne Anderson

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 08, 2016 10:39 AM  
To: CPCtestimony  
Cc: launahale@yahoo.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/8/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benton	Individual	Support	No

Comments: Thank you for hearing this important bill. It provides a good check and balance for AOA governance. I support the bill and offer the following change: Limit the board terms to two consecutive, 4-year terms. For boards with terms of less than 3 years, no more than 6 years could be served by a board member.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 08, 2016 11:10 AM  
To: CPCtestimony  
Cc: peggy@bondcarr.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/8/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Peggy Lucas	Individual	Oppose	No

Comments: I am opposed to HB2588 as it relates to term limits for condominium/planned community associations. I am a board member of the Papohaku Homeowners Association on Molokai and have been on the board for 3 years. It has taken me several years to research and understand the ongoing issues that face our association. With limited terms, we would lose the knowledge base and effectiveness of committed board members and be an injustice to the homeowners who need responsible representation. Please down HB2588. Mahalo, Peggy Lucas Molokai

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

RE: HB 2508 Term Limits

As of mid 2015, there were 1,746 condo associations which represent 169,842 units registered with the State. The real estate value of those existing condos is estimated to be nearly \$62 billion.

170,000 taxpayers and home owners who are asking for assertion of their homeowners' rights. Too often the boards act with solely the input of the management company. Homeowners are excluded. Bylaws are bent if not altogether broken. There are condo owners here who will testify to the specific condos in flagrant violation.

My testimony is to the overall policy of term limits. Term limits are a very effective technique to prevent overreach by an individual or a group of individuals. If all owners' rights are honored then the ousted board members will still have a say, whilst giving a fresh set of eyes to an individual board office.

It is simply a good check and balance common in any well run business. The most likely embezzler at a bank is one that never takes a vacation. Let the board members take a vacation, please. It will ensure that there is at least a second set of eyes review the business of the association. In a \$62 billion industry, this is only prudent.

Comment:

Term limits should be limited to two consecutive terms in the same position, with a 6 year maximum. With one year off in between re-entrance to the board.



From: rglanstein@gmail.com  
Sent: Monday, February 08, 2016 11:20 AM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; Rep. Linda Ichiyama  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m.

Aloha,

This testimony is sent in strong opposition to House Bill 2588 regarding requiring term limits (no more than two consecutive terms) for all condominium and planned community association board members. This seems to be a regurgitation of HB670 from 2015, and should be summarily dismissed as the previous bill was (for good reason).

Each association can already decide for itself to limit the number of consecutive terms of their own board members through amendments to their governing documents. Some associations have chosen to do this already - one association that I serve as parliamentarian/presiding officer limits their own board members to one term only.

On my own condo board, it's a miracle if we can even get enough candidates each year to run for the board. I can recall only 1 election in the past 9 years where we had more candidates than seats. Most associations don't have owners beating down doors to join the board - generally the exact opposite is true. Board member positions are generally volunteer and unpaid positions, and we do not need to limit the pool of candidates via legislation.

It's apparently a very vocal minority that is requesting the term limits, and to apply those limits legislatively to everyone seems ridiculous. That minority apparently can't even convince 67% of their own association(s) to amend their governing documents to provide for term limits. If the vocal minority can't convince their own association to impose term limits, I don't see why you should be convinced either.

If owners choose to reelect certain individuals repeatedly, that should continue to be their decision, not the decision of the legislature.

Disclosure - I am both a condominium board member and a parliamentarian that often serves condominium and planned community associations in a professional capacity.

Mahalo,

--

Rachel M. Glanstein, PRP

From: Enjoy Hawaii <roger.godaire@gmail.com>  
Sent: Monday, February 08, 2016 11:20 AM  
To: CPCtestimony; Rep. Angus McKelvey  
Subject: Testimony Favorable

**Sir's: This bill HB2588 has been a long time in coming. There are people out here that have been on Boards for 14 plus years. Get this bill passed.**

**Roger Godaire**



From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 08, 2016 12:02 PM  
To: CPCtestimony  
Cc: sawonglaw@hawaii.rr.com  
Subject: Submitted testimony for HB2588 on Feb 10, 2016 14:10PM

**HB2588**

Submitted on: 2/8/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sandie Wong	Individual	Oppose	No

Comments: I oppose this measure, because believe that members of the Association should choose to vote for whoever they like. Rather than taking away rights from members/owners, we should be passing bills that give members/owners more rights.

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

From: Richard Kanemoto <rjkukui@yahoo.com>  
Sent: Monday, February 08, 2016 1:42 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; Rep. Aaron Ling Johanson  
Subject: HB2588 Testimony OPPOSED

As a condo-resident/owner for over 30 plus years, I cannot understand why the representatives who introduced this bill now wants to change our current AOA Board of Directors system to 4 year terms.

- 1) Ask any AOA if they have a "waiting list" of owners ready, willing and able to participate in being a Board Member. You will find many condo owners who cannot, and will not participate for various reasons and for that reasons we have repeat members up for re-elections.
- 2 Our current AOA Board Member system in place (1-2-3 yrs) is working well for us. If it was a problem, I am sure you would have heard it in the media or during Condo Assoc meetings, etc.
3. Please do not force any more rules upon us while current Board members are hard at work trying to better their own AOAs.
4. I would believe our legislatures have more important things to do than to meddle in affairs of the AOA which I consider is doing well without interference.

Thank you for your time

Richard Kanemoto  
Resident / Owner  
4280 Salt Lake Blvd H47  
Honolulu, Hawaii 96818

woodson2-Shingai

---

From: Joy Dreamarrow <dreamarrow@gmail.com>  
Sent: Monday, February 08, 2016 2:17 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: HB2588 Testimony OPPOSED; Hearing Date: 2/10/2016 2:10 p.m

Dictating term limits for board members in condominium and planned community associations causes more difficulties for more condo owners than it solves. The condos I've owned have trouble finding owners willing to serve on the BOD, not the reverse! I've heard that is the more typical situation.

Thank you

Joy Brown  
David Meek  
98-703 IHO PL  
Unit 702  
AIEA, HI 96701

John White

Support- HB 2588

By establishing term limits of board members this will allow for the wider participation of other association members.

In most cases that I have experienced as a past board member the annual proxy votes from fellow homeowners are overwhelmingly assigned to the existing board members. With these homeowners /association members proxy votes in hand the existing board becomes the majority SUPER VOTER thus any candidate they desire " in most cases the existing board member " automatically is voted to serve another term . This is a sad fact of homeowner/voter apathy not unlike what is experienced when citizen are running for public office.

This measure will begin to open the doors for those who would in the past not even consider running because of the boards super majority proxy powers.

## COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

### Testimony Regarding HB 2588

John Morris  
888 Mililani Street  
2nd Flr, Honolulu  
(808) 523 0702

Chair McKelvey and Members of the Committee,

I work as an attorney representing condominiums and other homeowner associations and I am commenting on HB 2588. HB 2588 concludes that any elected official who has served more than eight years, no matter how experienced and effective, should no longer be able to serve, even if elected for another term. The basis for this conclusion is not stated in the bill. Instead, the bill, in effect, seeks to undermine the self-governance theory of the condominium and planned community laws by forcing owners to elect board members they may not wish to elect (because all the other candidates have been prohibited from running).

First, the bill seems to be completely out of sync with condominium governing documents. I have reviewed hundreds of association bylaws and never seen one set of bylaws that gave directors a four-year term. Typical terms are two years or three years, but never four years.

Second, the bill seems to presuppose that anyone who is serving on the board for more than eight years should automatically be prohibited from continuing to serve, so, presumably, more deserving owners can serve as board members. Sometimes those more deserving owners are people that their fellow owners have refused to elect.

Third, the bill seems to presuppose that viable candidates cannot be elected if they put in the time to solicit support from their fellow owners. The law already puts serving directors and owners on the same footing by permitting each of them to send out – at association expense – one-page statements of their reasons for wanting to serve on the board or receive proxies. My experience in serving for three years as the first state condominium specialist was that many owners just need some advice on how to run for the board. Many were also surprised how easy it was to get rid of a bad board if they simply put in the effort.

Instead of this bill, the legislature might do better to encourage the real estate commission to explain to owners some simple techniques for soliciting proxies and gaining the support of other owners so they can be elected to the board.

Thank you for this opportunity to testify.

1288 Kapiolani Blvd, Apt 1905  
Honolulu, Hawaii 96814  
February 8, 2016

TESTIMONY IN SUPPORT OF HB2588  
RELATING TO COMMON INTEREST COMMUNITIES  
Hearing: Wednesday, February 10, 2:10 p.m., CR 325

Representative Angus L. K. McKelvey, Chair  
Representative Justin H. Woodson, Vice Chair  
Members, Committee on Consumer Protection & Commerce

Aloha mai kākou,

I am writing in support of HB 2588, Relating to Common Interest Communities, that would establish term limits on board of director members for planned community associations and condominiums, and establish exceptions to term limits. At the outset, let me state that I have a great deal of respect for homeowners who volunteer to serve on their Association Board of Directors.

I am a condominium homeowner residing at the Association of Apartment Owners of the Moana Pacific and serve as a volunteer chair of its Legislative Committee and a member of its Efficiency Committee. Years ago, I also served as a director on the Kuliouou Kai Condominium Association and was awarded a certificate of appreciation for contributions made to the Board and to the homeowners.

The power and authorities vested in the Board of Directors of Association of Apartment Owners are significant. Except as provided in the declaration, the bylaws, or other provisions of HRS 514B-106, the Board may act in all instances on behalf of the Association. Typical duties involve formulating budgets; initiating and approving house rules; acting on homeowner complaints and suits requiring litigation; acting on personnel issues; approving contracts; maintaining the project; renovating the project; and so much more. In essence, Board decisions impact on the pocketbook and the lifestyle of all of its homeowners. **Term limits as provided in HB2588 would enhance the efficiency and effectiveness of Board of Directors in carrying out these responsibilities.**

In reaching this conclusion, consideration was given to the pros and cons of term limits. Advocates feel that a system without limits is a stacked deck; that any system that allows incumbents to amass much power and attention in office that challengers can rarely win is surely in need of correction; when elected directors are in office for many terms, they are preventing others from a real shot at entering the political fray of condominium management; and that term limits allow for infusion of new ideas and keeps boards from

becoming stagnant. Term limits are also a way to control run-away power by long incumbents who forget why they were elected.

Advocates against term limits argue that term limits will not ensure the election of public-spirited directors because they improve neither the quality of the candidates for office, nor the thought processes of the voters. The voters need to be just as alert and knowledgeable about the "new" faces as they should have been about the old, if removing the incumbent from the race is to do any good. Term limits would eliminate the good directors along with the bad. They could result in a costly loss of knowledge and experience in condominium management. Institutional memory is crucial especially for management of condominium budgets.

**I see the proposed term limits in HB 2588 as a sound accommodation that addresses both the concerns of those for and against term limits because it will allow for continuity of directors since not all terms run concurrently, will allow time for directors to gain experience and to use that experience, will allow for fair and equal opportunity for other homeowners who wish to serve their community; will allow for infusion of new ideas; and will minimize the possibility of misuse of power.**

Thank you for the opportunity to provide this testimony in support of HB2588. I urge its passage.

Respectfully,  
/s/ Marilyn L. Khan  
by online testimony

MARILYN L. KHAN  
Home Owner  
Moana Pacific

HB 2588 testimony

Aloha,

My name is Tony Becker and I strongly oppose HB 2588. As an active member of my association, I know how difficult it is to get board members. Let alone get people involved in our community. There are provisions for removing someone from the board and each association should have the right to manage itself. Please this isn't support by me or anyone I know who volunteers to keep condo's and associations moving forward.

Sincerely,

Tony Becker

Ewa Beach



woodson2-Shingai

---

From: Richard E Olson <rolson002@hawaii.rr.com>  
Sent: Tuesday, February 09, 2016 12:34 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey; Rep. Aaron Ling Johanson  
Subject: HB2588 Testimony OPPOSED.

As a condo-resident/owner for almost 40 years, I cannot understand why the representatives that introduced this bill now want to change the current AOA Board of Directors system  
You will find that many condo owners who cannot or will not participate for various reasons and that is the reason we have repeat members up for election.  
Our current AOA board member system in place (1-2-3 yrs) is working well for us. We would have heard through the media or assoc. meetings if there was a problem.  
We do not need any more rules forced upon us while the current members are hard at work for their own AOAs.

Thank you for your time

Richard Olson  
Resident/Owner  
4280 Salt Lake Blvd C16  
Honolulu, Hawaii 96818

woodson2-Shingai

---

From: Leticia Acido-Mercado  
Sent: Tuesday, February 09, 2016 3:22 PM  
To: woodson2-Shingai  
Subject: FW: HB 2588 RELATING TO COMMON INTEREST COMMUNITIES

*Leticia "Tish" Acido-Mercado*  
*Office Manager*  
*Representative Angus L. K. McKelvey*  
*District 10: West Maui, Maalaea, N. Kihei*  
*State Capitol Room 320*  
*Phone: (808) 586-6160*  
*Fax: (808) 586-6161*  
*Email: [l.acidomercado@capitol.hawaii.gov](mailto:l.acidomercado@capitol.hawaii.gov)*

---

From: rstrapple@gmail.com [mailto:rstrapple@gmail.com]  
Sent: Friday, February 05, 2016 2:15 PM  
To: Leticia Acido-Mercado  
Subject: RE: HB 2588 RELATING TO COMMON INTEREST COMMUNITIES

Thank you yes I am against this bill due to no one ever wanting to run on the board from our association HB2588 Those that are pushing the bill if the bill is passed can come on the board if we don't have any members

Sent from [Mail](#) for Windows 10

---

From: [Leticia Acido-Mercado](mailto:Leticia Acido-Mercado)  
Sent: Friday, February 5, 2016 1:56 PM  
To: [rstrapple@gmail.com](mailto:rstrapple@gmail.com)  
Cc: [mckelvey5-Mana](mailto:mckelvey5-Mana)  
Subject: HB 2588 RELATING TO COMMON INTEREST COMMUNITIES  
Importance: High

Aloha Robert,

Thank you for calling our office to inform us of your opposition for HB 2588; scheduled to be heard on Wednesday, February 10, 2016 at 2:00pm. Your concern is "it is hard to find members that are interested in serving the board".

Should there be more information that you would like to provide, please feel free to e-mail me as soon as possible or by Monday, February 8, 2016.

Again, thank you.  
Tish

*Leticia "Tish" Acido-Mercado*

Office Manager  
Representative Angus L. K. McKelvey  
District 10: West Maui, Maalaea, N. Kihei  
State Capitol Room 320  
Phone: (808) 586-6160  
Fax: (808) 586-6161  
Email: [l.acidomercado@capitol.hawaii.gov](mailto:l.acidomercado@capitol.hawaii.gov)

From: mailinglist@capitol.hawaii.gov  
Sent: Tuesday, February 09, 2016 3:32 PM  
To: CPCtestimony  
Cc: drobinson@onekalakaua.net  
Subject: \*Submitted testimony for HB2588 on Feb 10, 2016 14:10PM\*

**HB2588**

Submitted on: 2/9/2016

Testimony for CPC on Feb 10, 2016 14:10PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dee Robinson	Individual	Oppose	No

Comments:

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

woodson2-Shingai

---

From: Mike Hinkley <dmhinkley@hotmail.com>  
Sent: Tuesday, February 09, 2016 7:13 PM  
To: CPCtestimony  
Cc: Rep. Angus McKelvey  
Subject: Hb 2588, a bad idea



Please do not pass this bill; it will be unfair to Associations that have few members willing to become volunteer Board members, and seems to favor manipulation of a Board to force good [but unliked?] Board members out! s/DM Hinkley