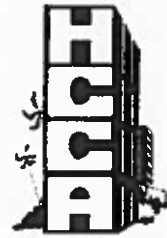




**Hawaii Council of Associations
of Apartment Owners**
DBA: Hawaii Council of Community Associations
1050 Bishop Street, #366, Honolulu, Hawaii 96813



February 2, 2018

Rep. Takashi Ohno, Chair
Rep. Isaac Choy, Vice-Chair
House Committee on Intrastate Commerce

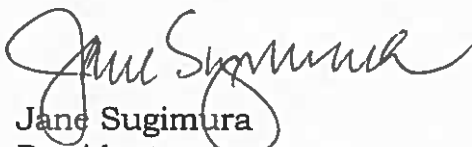
Re: Testimony in opposition to
HB382 RELATING TO CONDOMINIUM ASSOCIATIONS
Hearing: Tues., Feb. 6, 2018, 10:30 a.m., Conf. Rm. #429

Chair Ohno, Vice-Chair Choy 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 does not support this bill. There are already provisions in HRS-514B that deal with conflicts of interest and the conduct that this bill seeks to prohibit would constitute a breach of a board member's fiduciary duty for which remedies are already available in HRS 514B. Finally tasking the DCCA with authority to police and enforce such conduct violates the underlying self-governance principals of condominium associations, which allows owners (i.e., members of the association) to select and remove board members. Accordingly, please defer action on this bill.

Thank you for the opportunity to testify on this matter.


Jane Sugimura
President

HB-382

Submitted on: 2/3/2018 10:50:20 AM

Testimony for IAC on 2/6/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Philip Nerney	CAI	Oppose	No

Comments:

I am submitting testimony as an individual. 1) Chapter 514A has been repealed; 2) "disclosure to the unit owners" is ambiguous; 3) Section 514B-125(g) already addresses conflicts of interest; and 4) deterrents to board service should be limited.

HB-382

Submitted on: 2/3/2018 8:10:46 PM

Testimony for IAC on 2/6/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marcia Kimura		Support	No

Comments:

HB-382

Submitted on: 2/5/2018 11:31:51 AM

Testimony for IAC on 2/6/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Emery	Associa	Oppose	Yes

Comments:

I have been in the industry for 25 years. The current condominium law addresses conflicts of interest adequately. In the last two years, an analysis of condominium mediations reflects that zero claims were made regarding conflict of interest matters. If a director failed to comply with the current law, the matter would be appropriately addressed in civil litigation as the real estate commission would have no standing. The current law adequately requires disclosure and liability. Defer this bill.

HB-382

Submitted on: 2/6/2018 6:46:40 AM

Testimony for IAC on 2/6/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lourdes Scheibert	Condo Owner	Support	No

Comments:

HB-382

Submitted on: 2/6/2018 9:02:48 AM

Testimony for IAC on 2/6/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Morgan Bonnet		Support	No

Comments:

Dear Committee Members,

Please vote yes to HB382.

Mahalo,

Morgan