

HCR 211

HR 182



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# HOUSE CONCURRENT RESOLUTION

URGING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY TO  
EXAMINE THE USAGE OF ELECTRONIC VOTING MACHINES AND BEST  
PRACTICES TO ENSURE A REASONABLE LEVEL OF SECRECY AND  
INTEGRITY IN CONDOMINIUM ASSOCIATION MEETINGS.

1           WHEREAS, many condominium associations are governed by  
2           declarations and bylaws that require secret ballots for votes  
3           taken at association meetings; and

4  
5           WHEREAS, secret ballots can be unduly burdensome for  
6           condominiums that need to ballot with different common  
7           interests; now, therefore,

8  
9           BE IT RESOLVED by the House of Representatives of the  
10          Twenty-ninth Legislature of the State of Hawaii, Regular Session  
11          of 2018, the Senate concurring, that the Legislative Reference  
12          Bureau is urged to conduct a study to examine the usage of  
13          electronic voting devices and best practices to ensure a  
14          reasonable level of secrecy and integrity in condominium  
15          association voting, including, but not limited to:

- 16  
17           (1) Any national standards for electronic voting in  
18           condominium association meetings or other similar  
19           contexts;  
20  
21           (2) Any laws in other states governing electronic voting  
22           in contexts other than public elections; and  
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24           (3) Any existing practices by condominium associations  
25           that ensure secrecy and integrity in voting; and  
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27          BE IT FURTHER RESOLVED that the Legislative Reference  
28          Bureau is requested to submit a report of its findings and



# H.C.R. NO. 211

1 recommendations, if any, to the Legislature no later than twenty  
2 days prior to the convening of the Regular Session of 2019; and

3

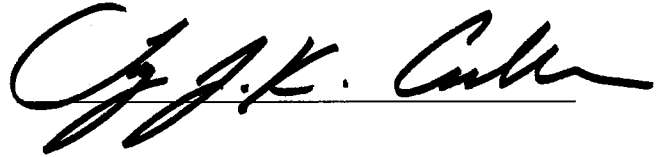
4 BE IT FURTHER RESOLVED that certified copies of this  
5 Concurrent Resolution be transmitted to the Director of the  
6 Legislative Reference Bureau.

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8

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OFFERED BY:



MAR - 9 2018



Charlotte A. Carter-Yamauchi  
Director

Research (808) 587-0666  
Revisor (808) 587-0670  
Fax (808) 587-0681



LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol, Room 446  
415 S. Beretania Street  
Honolulu, Hawaii 96813

## Written Comments

### **HCR211**

### **URGING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY TO EXAMINE THE USAGE OF ELECTRONIC VOTING MACHINES AND BEST PRACTICES TO ENSURE A REASONABLE LEVEL OF SECRECY AND INTEGRITY IN CONDOMINIUM ASSOCIATION MEETINGS**

Testimony by the Legislative Reference Bureau  
Charlotte A. Carter-Yamauchi, Director

Presented to the House Committee on Consumer Protection and Commerce

Thursday, March 22, 2018, 2:00 p.m.  
Conference Room 329

Chair Takumi and Members of the Committee:

Good afternoon Chair Takumi and members of the Committee, my name is Charlotte Carter-Yamauchi and I am the Director of the Legislative Reference Bureau. Thank you for providing the opportunity to submit written comments on H.C.R. No. 211, Urging the Legislative Reference Bureau to Conduct a Study to Examine the Usage of Electronic Voting Machines and Best Practices to Ensure a Reasonable Level of Secrecy and Integrity in Condominium Association Meetings.

The purpose of this measure is to request that the Bureau conduct a study to examine the usage of electronic voting devices and best practices to ensure a reasonable level of secrecy and integrity in condominium association voting, including, but not limited to:

- (1) Any national standards for electronic voting in condominium association meetings or other similar contexts;
- (2) Any laws in other states governing electronic voting in contexts other than public elections; and
- (3) Any existing practices by condominium associations that ensure secrecy and integrity in voting.

The measure also requests that the Bureau submit a report of its findings and recommendations, if any, to the Legislature no later than twenty days prior to the convening of the 2019 Regular Session.

While the Legislative Reference Bureau takes no position on the measure, we submit the following comments for your consideration.

While generally, the Bureau sees no obstacle in conducting this study, we would like to note that, based on a quick online search of the subject matter, not a lot of information is available on the usage of electronic voting devices and best practices to ensure a reasonable level of secrecy and integrity in condominium association voting. Apparently, the implementation and use of this technology is fairly recent, and consequently, not a lot of information has been compiled regarding best practices or if security issues have arisen. Consequently, if the measure is adopted, the Bureau will attempt to conduct the study to the best of our ability and to the extent any information is available.

Notwithstanding the concerns noted above, the Bureau believes that the services requested under the measure would be manageable and that the Bureau will be able to provide the services in the time allotted; provided that the Bureau's interim workload is not adversely impacted by too many other studies or additional responsibilities, such as conducting, writing, or finalizing other reports, drafting legislation, or both, for other state agencies, task forces, or working groups that may be requested or required under other legislative measures.

Thank you again for your consideration.



**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)**

March 21, 2018

Honorable Rep. Roy M. Takumi, Chair  
Honorable Rep. Linda Ichiyama, Vice-Chair  
House Committee on Consumer Protection and Commerce (CPC)  
Hawaii State Capitol, Room 329  
415 South Beretania Street  
Honolulu, HI 96813

**RE: Testimony in SUPPORT of HCR 211 and HR182; Hearing Date: March 22, 2018  
at 2:00 p.m. in House conference room 329; sent via Internet**

Dear Rep. Takumi, Chairman; Rep. Linda Ichiyama, Vice-Chair; Committee Members,

Thank you for the opportunity to provide testimony on these Resolutions.

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 parliamentary practice in 1983 (over 1,700 meetings in 35 years). I was also a member of the Blue Ribbon Recodification Advisory Committee that presented the recodification of Chapter 514B to the legislature in 2004.

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

This testimony is presented in SUPPORT of HCR 211 and HR182.

**Current Situation:**

HCR211 and HR182 propose to instruct the Legislative Reference Bureau to perform a study regarding the use of electronic voting devices at condominium association meetings.

This appears to follow HB2630 which was previously introduced and approved with amendments by the CPC. HB2630 would provide condominium associations with a methodology for the optional use of electronic voting devices provided various integrity and security concerns were addresses.

The following stakeholders have previously met and developed more definitive wording for a proposed HB2630 HD1 (or HD2 if too late for CPC):

Richard Emery, Associa Hawaii  
Steve Glanstein, Hawaii State Association of Parliamentarians  
Phillip Nerney, Hawaii Chapter of the Community Associations Institute, and  
Jane Sugimura, Hawaii Council of Associations of Apartment Owners

**The proposed wording that the stakeholders recommended has been attached to this testimony.**

Unfortunately the Finance Committee didn't schedule a hearing on the bill prior to the deadline.

**Analysis:**

In our research, we have found that electronic voting devices have been used at meetings for over 20 years.

The technology is available with some software programming to make these devices available for Hawaii condominium associations. That information was provided in previous testimony on the original HB2630.

**Hawaii could be the first state to provide an option to improve the voting process in the condominium association community.**

**Conclusions:**

The use of this technology would not be mandated; appropriate legislation will provide associations with another voting option. The study could provide assurances that such technology would provide an acceptable level of secrecy and integrity in the voting process.

**We ask that you approve HCR211 and HR182.**

If you require any additional information, your call is most welcome. I may be contacted via phone: 423-6766 or by e-mail: [Stevevghi@gmail.com](mailto:Stevevghi@gmail.com). Thank you for the opportunity to present this testimony.

Sincerely,

Steve Glanstein, Professional Registered Parliamentarian  
Chair, HSAP Legislative Committee  
SG:tbs/Attachment



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# A BILL FOR AN ACT

NOTE: This proposed revision to HB2630 HD1 is proposed to the House Consumer Protection and Commerce and House Finance Committees by:

Richard Emery, Associa Hawaii  
Steve Glanstein, Hawaii State Association of Parliamentarians  
Phillip Nerney, Hawaii Chapter of the Community Associations Institute, and  
Jane Sugimura, Hawaii Council of Associations of Apartment Owners

**Summary of changes:**

1. Clarified board's responsibility for the authorizing of electronic voting devices.
2. Added restriction against use of outside networks such as internet.
3. Changed "serial number" to "reference number" for clarity.
4. Changed format in subsections to improve clarity.

RELATING TO CONDOMINIUM VOTING.

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

SECTION 1. The legislature finds that many condominiums are governed by declarations and bylaws that require a secret ballot at their association meeting. This can be unduly burdensome for condominiums that need to ballot with different common interests.

The purpose of this Act is to authorize the use of an electronic voting device at condominium association meetings in place of the secret ballot; provided that the board of directors establishes procedures to ensure a reasonable level of ballot secrecy and integrity.

SECTION 2. Section 514B-106, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) At any regular or special meeting of the association, any member of the board may be removed and successors shall be elected for the remainder of the term to fill the vacancies thus created. The removal and replacement shall be by a vote of a majority of the unit owners and, otherwise, in accordance with all applicable requirements and procedures in the bylaws for the removal and replacement of directors and, if removal and replacement is to occur at a special meeting, section ~~[514B-121(b)].~~ 514B-121(c)."

SECTION 3. Section 514B-110, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) Election of the new board in accordance with an amendment adopted pursuant to this section shall be held at the next regular meeting of the association or at a meeting called in accordance with section ~~[514B-121(b)]~~ 514B-121(c) for this purpose."

SECTION 4. Section 514B-121, Hawaii Revised Statutes, is amended to read as follows:

**"§514B-121 Association meetings.** (a) A meeting of the association shall be held at least once each year.

(b) Notwithstanding any other provision of this chapter or the declaration or bylaws of a condominium, at any association meeting where a secret ballot is required or used, the board may

direct the use of an electronic voting device instead of a secret ballot. Such use shall be subject to the following:

(1) The electronic voting device and all associated equipment shall be isolated from any connection to an external network, including the Internet; and

(2) The board shall establish reasonable procedures to provide for the secrecy and integrity of the unit owners' votes, including, but not limited to, procedures that ensure the availability of a printed audit trail containing:

(A) the reference number of the electronic voting device;

(B) each common interest voted; and

(C) the vote that was tabulated;

(3) A copy of the printed audit trail shall be available to owners after the meeting in the same manner provided by sections 514B-154 and 514B-154.5; and

(4) A copy of the procedures established pursuant to paragraph (1) shall be available at no charge to any owner and a copy shall be available at any meeting at which the association uses an electronic voting device.

~~+(b)+~~ (c) Special meetings of the association may be called by the president, a majority of the board, or by a petition to the secretary or managing agent signed by not less than twenty-five per cent of the unit owners as shown in the association's record of ownership; provided that if the

secretary or managing agent fails to send out the notices for the special meeting within fourteen days of receipt of the petition, the petitioners shall have the authority to set the time, date, and place for the special meeting and to send out the notices and proxies for the special meeting at the association's expense in accordance with the requirements of the bylaws and of this part; provided further that a special meeting based upon a petition to the secretary or managing agent shall be set no later than sixty days from receipt of the petition.

~~{(e)}~~ (d) Not less than fourteen days in advance of any meeting, the secretary or other officer specified in the bylaws shall cause notice to be:

(1) Hand-delivered;

(2) Sent prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit owner; or

(3) At the option of the unit owner, expressed in writing, by electronic mail to the electronic mailing address designated in writing by the unit owner.

The notice of any meeting must state the date, time, and place of the meeting and the items on the agenda, including the general nature and rationale of any proposed amendment to the declaration or bylaws, and any proposal to remove a member of the board; provided that this subsection shall not preclude any

unit owner from proposing an amendment to the declaration or bylaws or to remove a member of the board at any annual association meeting.

~~+(d)+~~ (e) All association meetings shall be conducted in accordance with the most recent edition of Robert's Rules of Order Newly Revised. If so provided in the declaration or bylaws, meetings may be conducted by any means that allow participation by all unit owners in any deliberation or discussion.

~~+(e)+~~ (f) All association meetings shall be held at the address of the condominium or elsewhere within the State as determined by the board; provided that in the event of a natural disaster, such as a hurricane, an association meeting may be held outside the State."

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval.

INTRODUCED BY: Sam Satoru Kong

**Report Title:**

Condominiums; Voting

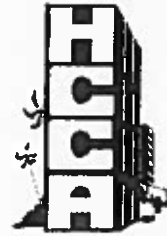
**Description:**

Provides for use of an electronic voting device in condominium association meetings, provides that the board take reasonable steps to ensure secrecy and integrity of the votes, and that an audit trail be available after the meeting.

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



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



March 21, 2018

Rep. Roy Takumi, Chair  
Rep. Linda Ichiyama, Vice-Chair  
House Committee on Consumer Protection & Commerce

Re: Testimony in support of  
HCR211 and HR182 RELATING TO CONDOMINIUM VOTING  
Hearing: Thurs., March 22, 2018, 2 p.m., Conf. Rm. #329

Chair Takumi, Vice-Chair Ichiyama and Members of the Committee:

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

HCAAO supported the intent and purpose of HB2630 on the use of electronic devices to assist in the voting process. I have read Steve Glanstein's testimony in support of these 2 resolutions and concur with his testimony.

Thank you for the opportunity to testify on this matter.

A handwritten signature in cursive script that reads "Jane Sugimura".

Jane Sugimura  
President

**HCR-211**

Submitted on: 3/20/2018 11:13:28 AM

Testimony for CPC on 3/22/2018 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
lynne matusow	Individual	Oppose	No

Comments:

This is not the right time to talk about electronic voting, period. There are questions about the 2016 and upcoming 2018 elections. More than 20 states have reported hacking attempts. Some don't have paper trails. These machines have wi fi capability, which is hackable. Sending info via cell phone is also hackable, as it has to go through cell phone towers which can be hacked. Until the nation gets a handle on the safety of electronic voting, we should not waste time and taxpayers dollars on this type of study. Additionally voters would have to be trained to use these machines, and that can be a steep learning curve. What do I hit? How do I do it? I don't understand. What about a piece of paper and a pen or pencil? I can do that. I urge you to vote no on this reso.

Lynne Matusow



**HCR-211**

Submitted on: 3/21/2018 10:34:08 AM

Testimony for CPC on 3/22/2018 2:00:00 PM

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

Comments:

Dear Representative Takumi, Chairman, Representative Ichiyama, Vice Chair, and Committee Members:

I support H.C.R. No. 211. Balloting in condominium associations can be a very time consuming and complicated task, especially in associations that have numerous apartments with different assigned common interest. Electronic voting devices could streamline and simplify the voting process for these associations. A study of national standards for electronic voting in condominium associations would provide valuable information that could be used in drafting legislation that would allow the use of electronic voting devices provided there are adequate safeguards to ensure the integrity of, and acceptable levels of secrecy in, the voting process.

Sincerely,

Anne Anderson

**HCR-211**

Submitted on: 3/21/2018 12:33:06 PM

Testimony for CPC on 3/22/2018 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Paul A. Ireland Koftinow	Individual	Support	No

Comments:

Dear Representative Takumi, Chairman, Representative Ichiyama, Vice Chair, and Committee Members:

I support H.C.R. No. 211. A significant number of Hawaii residents are members of condominium associations. Voting is an essential part of condominium governance, and electronic voting can make meetings more efficient and prevent delays. As such, this is a matter of significant public interest. I therefore support a study on the usage of electronic voting devices and best practices in condominium associations, as set forth in H.C.R. No. 211.

Sincerely,

Paul A. Ireland Koftinow