

STAND. COM. REP. NO. 757

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 1288  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,  
to which was referred S.B. No. 1288 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUM VOTING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide for the use of an electronic voting device instead of a secret ballot in condominium association meetings; and
- (2) Require a condominium board to take reasonable steps to ensure secrecy and integrity of the votes, and that an audit trail be available after the meeting.

Your Committee received testimony in support of this measure from the Hawai'i State Association of Parliamentarians Legislative Committee, Community Associations Institute Legislative Action Committee, Hawaii Council of Associations of Apartment Owners, Palehua Townhouse Association, Associa, and four individuals. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that numerous Hawaii condominium associations have a secret ballot requirement that is commonly met by using paper ballots. Larger association board elections can



take hours, and the results are often inaccurate due to human error in the counting process. Paper ballots can be easily compromised, are more susceptible to fraud, can be lost or left with another owner resulting in unauthorized or unregulated proxy voting, and can pose quorum concerns.

Your Committee further finds that technologies for electronic voting devices continue to improve, but amending association governing documents can be costly and time consuming and existing law has not been updated to authorize condominium associations to utilize these available technologies. Should a condominium association choose to utilize electronic voting technologies, this measure authorizes the use of electronic voting devices and provides reasonable procedures for ensuring security and integrity in the election process. Your Committee further notes that this measure does not mandate the use of electronic voting technologies, but provides condominium associations with a tool to conduct more efficient meetings and elections.

Your Committee has amended this measure by:

- (1) Clarifying that electronic voting devices may be used in any condominium association meeting regardless of whether a secret ballot is involved or required; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1288, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1288, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Health,



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ROSALYN H. BAKER, Chair



