

Honolulu, Hawaii

APR 28 2022

RE: S.B. No. 2685  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2685, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish requirements for cumulative voting and the removal of directors of planned community associations;
- (2) Exempt planned community associations from certain requirements regarding cumulative voting for and the removal of directors under the Hawaii Nonprofit Corporations Act; and
- (3) Require boards of directors of planned community associations, when planning to distribute proxies without



the use of association funds, to post notices of their intent to distribute written notices for association meetings at least twenty-one days before distributing the written notices.

Your Committee on Conference finds that the cumulative voting provisions under the Hawaii Nonprofit Corporations Act can be easily manipulated by planned community association boards of directors to prevent minority groups from attaining representation by simply omitting cumulative voting from the notice. This measure clarifies that the cumulative voting provisions under the Hawaii Nonprofit Corporations Act do not apply to planned community associations governed by the State's planned community association laws and establishes provisions specific to planned community associations.

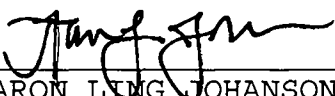
Your Committee on Conference has amended this measure by making it effective January 1, 2023.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2685, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2685, S.D. 2, H.D. 1, C.D. 1.

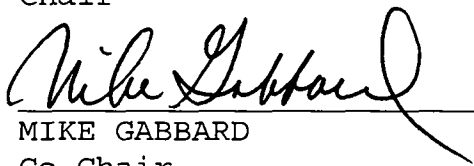
Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
\_\_\_\_\_  
AARON LING JOHANSON  
Chair

  
\_\_\_\_\_  
ROSALYN H. BAKER  
Chair

  
\_\_\_\_\_  
MIKE GABBARD  
Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 2685, SD 2, HD 1</b>	Date/Time: 04-26-2022                      1:39 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

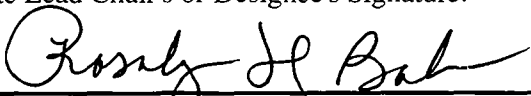
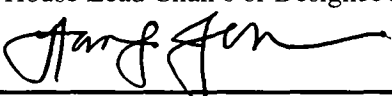
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				JOHANSON, Aaron Ling, Chr.	✓			
GABBARD, Mike, Co-Chr.	✓				KITAGAWA, Lisa	✓			
CHANG, Stanley	✓				MATSUMOTO, Lauren	✓			
FEVELLA, Kurt				✓					
<b>TOTAL</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>TOTAL</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>

A = Aye                      WR = Aye with Reservations                      N = Nay                      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**                      **Original**                      **Yellow**                      **Pink**                      **Goldenrod**  
*File with Conference Committee Report                      House Clerk's Office                      Senate Clerk's Office                      Drafting Agency*