

STAND. COM. REP. NO. **2730**

Honolulu, Hawaii

**MAR 03 2022**

RE: S.B. No. 2852  
S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2852 entitled:

"A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require condominium associations to allow members or their proxies to vote by mail and attend and cast votes in association meetings through the Internet, teleconference, or other electronic transmission technology; and
- (2) Ensure the provision of copies of printed audit trails.

Your Committee received testimony in support of this measure from the Hawaii Council of Community Associations, Hawai'i Public Health Institute, Hui 'Oia'i'o, and thirteen individuals. Your Committee received testimony in opposition to this measure from the Community Associations Institute; Country Club Village AOA; Honolulu Tower AOA; Hawai'i State Association of Parliamentarians Legislative Committee; Country Club Village Phase 2 AOA; Law Offices of Mark K. McKeller, LLC; Kipuka at Hoakalei AOUO; and eight individuals. Your Committee received comments on this measure from two individuals.



Your Committee finds that a certain percentage of members are required to vote in the affirmative for an association to adopt or amend its rules. If a member is not present, an absent vote will translate to a "no" vote. Due to a countless number of reasons, it can be a challenge for two-thirds of the members of an association to physically be present to vote at a meeting to adopt certain rules or amendments to rules. With the progression of technologies and increased abilities to conduct business remotely, this measure will remove outdated barriers and increase opportunities for member participation in the voting process.

Your Committee has amended this measure by:

- (1) Clarifying that members of the association or proxies of members shall be allowed to vote by mail and participate in any association meeting by means of the Internet, teleconference, or other electronic transmission technology, if authorized by the board of directors in its sole discretion;
- (2) Inserting language that provides a member of the association or proxy of a member participating in a meeting by means of Internet, teleconference, or other electronic transmission technology shall be deemed to be present at the meeting, and requiring the association to implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting is a member of the association or proxy of a member; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2852, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2852, S.D. 1, and be placed on the calendar for Third Reading.



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

*Rosalyn H Baker*


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ROSALYN H. BAKER, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2852	CPN	02-16-2022		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
DECOITE, Lynn	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt	/			
<b>TOTAL</b>	7	-	-	-
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes