

STAND. COM. REP. NO. 1490

Honolulu, Hawaii

APR 01 2025

RE: H.B. No. 850
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which
was referred H.B. No. 850, H.D. 1, 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) Clarify a condominium association board's authority with respect to calling electronic meetings, electronic voting, and mail voting;
- (2) Clarify that, in condominium elections, cumulative voting rights apply to all candidates regardless of whether they are nominated; and
- (3) Clarify that individual votes are used in cumulative voting.

Your Committee received testimony in support of this measure from the Law Offices of Mark K. McKellar, LLC; Palehua Townhouse Association; Nakamoto Realty, LLC; Hawaii First Realty; AOA Lakeview Sands; Hawai'i State Association of Parliamentarians; and seventeen individuals.



Your Committee received testimony in opposition to this measure from Honolulu Tower AOA and three individuals.

Your Committee received comments on this measure from one individual.

Your Committee finds that existing law governing the voting rules for condominium associations allows cumulative voting only for persons nominated in elections for board member and officer positions but not for write-in candidates. Your Committee further finds that the existing law is silent on other means of voting in condominium association meetings. Further clarification and guidance are necessary to provide condominium associations with the flexibility needed to facilitate elections more effectively by electronic voting for their in-person meetings. This measure enables condominium associations to make voting more accessible and properly controlled for condominium unit owners by establishing reasonable rules and standards for electronic voting procedures, as well as expanding the authorized use of cumulative voting for condominium associations to include write-in candidates.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; 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 and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 850, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 850, H.D. 1, 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,

A handwritten signature in black ink, appearing to be 'J. Keohokalole', written over a horizontal line.

JARRETT KEOHOKALOLE, Chair



Record of Votes
Committee on Commerce and Consumer Protection
CPN

*Only one measure per Record of Votes