Hawaii Legislative Council Members

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> > Maile Meyer Na Mea Hawaii Honolulu

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> Chamber of Sustainable Commerce P.O. Box 22394 Honolulu, HI 96823

Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair Comm. on Judiciary & Hawaiian Affairs

Fridday, February 23, 2024 2:00 PM, Room 325 Via Videoconference

RE: **HB2067 HD1** Limit Proxy Form - **Support**

Dear Chair Tarnas, Vice Chair Takayama & Committee Members,

The Chamber of Sustainable Commerce represents over 100 small businesses across the State that strive for a triple bottom line: people, planet and prosperity; we know Hawaii can strengthen its economy without hurting workers, consumers, communities or the environment.

This is why we support HB2067 HD1, which removes from the standard condominium proxy form the option of giving a proxy vote to the board of directors of a condominium association as a whole or to directors present at the meeting, and requires a disclosure statement on the standard condominium proxy form informing unit owners that an association may direct elections by electronic, machine, or mail voting.

This bill, if enacted, will improve the ability for condo owners to hold their elected board members accountable to acting in alignment with their fiduciary duties to the community of condo owners. Currently the way the proxy forms are used give too much default authority to the sitting officers of the board. This imbalance of power may marginalize condo owners who pay close attention to what the board is doing; it may make it easier for them to be out-numbered by sitting board members who may be invested into holding on to power at the expense of a high-functioning board.

Yours is the only House committee charged with protecting consumers. HB2067 HD1 demonstrates the legislature's ability to offer consumer protections to condo owners to ensure they have access to fair representation on their condo association boards.

