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## A BILL FOR AN ACT

RELATING PLANNED COMMUNITY ASSOCIATIONS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 421J-5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§421J-5 Meetings of the board of directors; committee or**  
4 **subcommittee.** (a) All meetings of the board of directors,  
5 other than executive sessions, shall be open to all members to  
6 provide input on the matters being discussed. Members who are  
7 not on the board of directors may participate in any  
8 deliberation or discussion, other than during executive  
9 sessions, unless a majority of a quorum of the board of  
10 directors votes otherwise.

11           (b) The board of directors shall meet at least once each  
12 year.

13           (c) The board of directors, with the approval of a  
14 majority of a quorum of its members, may adjourn any meeting and  
15 reconvene in executive session to discuss and vote upon matters  
16 concerning personnel, litigation in which the association is or  
17 may become involved, or as may be necessary to protect the  
18 attorney-client privilege of the association. The general



1 nature of any business to be considered in executive session  
2 shall be first announced in the regular session.

3 (d) No board member shall vote by proxy at board meetings.

4 (e) A director who has a conflict of interest on any issue  
5 before the board shall disclose the nature of the conflict of  
6 interest prior to a vote on that issue at the board meeting, and  
7 the minutes of the meeting shall record the fact that a  
8 disclosure was made.

9 (f) The board may appoint committees or subcommittees to  
10 review and consider any specific matters, and may alter or  
11 eliminate the committees or subcommittees; provided that the  
12 board in the minutes of the meeting at which the action was  
13 taken to appoint the committee or subcommittee shall:

14 (1) Report that the committee or subcommittee was  
15 appointed;

16 (2) Identify the members of the committee or subcommittee;  
17 and

18 (3) Describe the matter that the committee or subcommittee  
19 is to review and consider.

20 (g) Minutes of the meetings of the board of directors  
21 shall include the recorded vote of each board member present on  
22 all motions except motions voted upon in executive session."



1 SECTION 2. This Act does not affect rights and duties that  
2 matured, penalties that were incurred, and proceedings that were  
3 begun, before its effective date.

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

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JAN 17 2007



**Report Title:**

Planned Community Associations

**Description:**

Requires minutes of meeting of board of directors to record vote of each board member on all motions except motions voted upon in executive session.

