HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII H.B. NO. 2812

### A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

SECTION 1. Section 514B-106, Hawaii Revised Statutes, is
 amended by amending subsection (e) to read as follows:

3 "(e) Not later than the termination of any period of 4 developer control, the unit owners shall elect a board of at 5 least three members; provided that [projects]:

6 (1) Except as provided in paragraph (3), projects created 7 after May 18, 1984, with one hundred or more 8 individual units, shall have an elected board of at 9 least nine members unless the membership has amended 10 the bylaws to reduce the number of directors; [and 11 provided-further-that-projects]

12 (2) Except as provided in paragraph (3), projects with
13 more than one hundred individual units where at least
14 seventy per cent of the unit owners do not reside at
15 the project may amend the bylaws to reduce the board
16 to as few as five members by the written consent of a
17 majority of owners or the vote of a majority of a
18 quorum at any annual meeting or special meeting called



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1		for that purpose. The association may rely on its
2		membership records in determining whether a unit is
3		owner-occupied. A decrease in the number of directors
4		shall not deprive an incumbent director of any
5		remaining term of office [-]; and
6	(3)	Projects with more than one hundred residential-use
7		and nonresidential-use individual units and more than
8		twenty-five individual owners shall have an elected
9		board of at least nine members reflecting the
10		proportionate number of units for residential and
11		nonresidential uses; provided that no more than three
12		board members shall represent nonresidential-use
13		<u>units.</u> "
14	SECTION 2. Section 514B-107, Hawaii Revised Statutes, is	
15	amended by amending subsection (a) to read as follows:	
16	"(a)	Members of the board shall be unit owners or co-
17	owners, vendees under an agreement of sale, a trustee of a trust	
18	which owns a unit, or an officer, partner, member, or other	
19	person authorized to act on behalf of any other legal entity	
20	which owns a unit. There shall not be more than one	
21	representative on the board from any one unit $[-,]$ ; provided that	
22	a legal entity owning multiple nonresidential-use units within a	
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project may have only one representative on the board representing every nonresidential-use unit owned by that legal entity." SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 4. This Act shall take effect three hundred sixtyfive days after its approval.

> INTRODUCED BY: Denny loffner Lida Catrilla

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### Report Title:

Condominium Association Board of Directors; Members

#### Description:

Establishes a minimum number of members for condominium association boards of directors for mixed-use condominiums with a certain number of units and owners. Limits the number of board members representing nonresidential-use units.

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