### A BILL FOR AN ACT

RELATING TO PLANNED COMMUNITY ASSOCIATIONS.

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

- 1 SECTION 1. The legislature finds that planned community
- 2 associations share many similarities with condominium
- 3 associations, including individual ownership of residential
- 4 units, assessment of maintenance fees, a board that represents
- 5 the association, and meetings that all members have the right to
- 6 attend.
- 7 The legislature also finds, however, that members of a
- 8 planned community association have fewer rights regarding
- 9 participation in association meetings and governance than
- 10 members of condominium associations. For example, current law
- 11 does not provide that twenty-five per cent of the members of a
- 12 planned community association may call a special meeting.
- 13 The purpose of this Act is to afford the rights enjoyed by
- 14 condominium association members regarding association meetings
- 15 to planned community association members.
- 16 SECTION 2. Section 421J-3.5, Hawaii Revised Statutes, is
- 17 amended to read as follows:



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1	"[+]	§421J-3.5 [Notice required; regular] Regular annual
2	and speci	al meetings[.]; notice required. (a) Not less than
3	fourteen	days in advance of any regular annual meeting or
4	special m	eeting of an association, the secretary or other
5	officer s	pecified in the bylaws shall give written notice of the
6	meeting t	o each member of the association as provided in the
7	bylaws of	the association or by two or more of the following
8	means:	
9	(1)	Hand delivery;
10	(2)	United States mail sent to the mailing address of each
11		unit or to another mailing address designated in
<b>12</b> .		writing by the association member;
13	(3)	Electronic mail to the electronic mailing address
14		designated in writing by the association member; or
15	(4)	Posting of the meeting notice in its entirety on a
16		portion of the association's website that is
17		accessible to all members.
18	(b)	Notice pursuant to this section shall state:
19	(1)	The date, time, and place of the meeting; and
20	(2)	The items on the agenda, including the general nature
21		of and rationale for any proposed amendment to the

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1	declaration or bylaws; any proposal for a special	
2	assessment, unless the authority for a special	
3	assessment is otherwise provided for in the	
4	association's governing documents; and any proposal to	
5	remove a member of the board.	
6	(c) Special meetings of the association may be called by a	
7	petition to the secretary or managing agent signed by not less	
8	than twenty-five per cent of the members as shown in the	
9	association's record of ownership; provided that if the	
10	secretary or managing agent fails to send out the notices for	
11	the special meeting within fourteen days of receipt of the	
12	petition, the petitioners shall have the authority to set the	
13	time, date, and place for the special meeting and to send out	
14	the notices and proxies for the special meeting at the	
15	association's expense in the same manner as established by	
16	paragraphs (a) and (b); provided further that a special meeting	
17	based upon a petition to the secretary or managing agent shall	
18	be set no later than sixty days from receipt of the petition.	
19	$[\frac{(c)}{(d)}]$ The requirements of this section shall not be	
20	interpreted to preclude any association member from proposing an	

- 1 amendment to the declaration or bylaws or proposing to remove a
- 2 member of the board at an association meeting.
- 3 [<del>(d)</del>] (e) The requirements of this section shall not be
- 4 interpreted to apply to any board meetings or committee meetings
- 5 of a planned community association."
- 6 SECTION 3. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

JAN 2 3 2015

### H.B. NO. 532

#### Report Title:

Planned Community Associations; Association Meetings

#### Description:

Authorizes the members of a planned community association to call a special meeting by petition signed by not less than 25% of the members.

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