# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. Section 514B-106, Hawaii Revised Statutes, is 2 amended by amending subsection (f) to read as follows: At any regular or special meeting of the association, 3 4 any member of the board may be removed and successors shall be 5 elected for the remainder of the term to fill the vacancies thus 6 created. The removal and replacement shall be by a vote of a majority of the unit owners and, otherwise, in accordance with 8 all applicable requirements and procedures in the bylaws for the 9 removal and replacement of directors and, if removal and 10 replacement is to occur at a special meeting, section 11 [514B-121(c).] 514B-121(d)." 12 SECTION 2. Section 514B-110, Hawaii Revised Statutes, is 13 amended by amending subsection (e) to read as follows: 14 "(e) Election of the new board in accordance with an 15 amendment adopted pursuant to this section shall be held at the 16 next regular meeting of the association or at a meeting called

1 in accordance with section [514B-121(c)] 514B-121(d) for this 2 purpose." 3 SECTION 3. Section 514B-121, Hawaii Revised Statutes, is 4 amended to read as follows: "§514B-121 Association meetings. (a) A meeting of the 5 6 association shall be held at least once each year. 7 (b) All association meetings shall be conducted in 8 accordance with the most recent edition of Robert's Rules of 9 Order Newly Revised. 10 [<del>(b)</del>] (c) Notwithstanding any other provision of this 11 chapter, [except as provided in subsection (e), or the 12 declaration or bylaws of a condominium to the contrary, ] at any 13 association meeting conducted in person at a physical location, 14 the board may direct the use of an electronic voting device regardless of whether a secret ballot is used or required. 15 16 [Except as provided in subsection (e), the] The use shall be 17 subject to the following: 18 (1) The electronic voting device and all associated 19 equipment shall be isolated from any connection to an

external network, including the Internet, or shall use

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1		a form of encryption comparable to that used for
2		secured internet web browsers;
3	(2)	The board shall establish reasonable procedures to
4	•	provide for the secrecy and integrity of the unit
5		owners' votes, including but not limited to procedure:
6		that ensure the availability of a printed audit trail
7		containing:
8		(A) The reference number or internet address of the
9		electronic voting device;
10		(B) Each common interest voted; and
11	·	(C) The vote that was tabulated;
12	(3)	A copy of the printed audit trail shall be available
13		to owners after the meeting in the same manner
14		provided by sections 514B-154 and 514B-154.5; and
15	(4)	A copy of the procedures established pursuant to
16		paragraph (2) shall be available at no charge to any
17		owner and a copy shall be available at any meeting at
18		which the association uses an electronic voting
19		device.
20	[ <del>If (</del>	any conflict arises between this subsection and
21	subsection	n (e), subsection (e) shall control.

# H.B. NO. H.D. 1

1 [<del>(c)</del>] (d) Special meetings of the association may be 2 called by the president, a majority of the board, or by a 3 petition to the secretary or managing agent signed and dated by 4 [not] no less than twenty-five per cent of the unit owners as 5 shown in the association's record of ownership; provided that if 6 the secretary or managing agent fails to send out the notices 7 for the special meeting within fourteen days of receipt of the 8 petition, the petitioners shall have the authority to set the 9 time, date, and place for the special meeting and to send out 10 the notices and proxies for the special meeting at the 11 association's expense in accordance with the requirements of the bylaws and of this part; provided further that a special meeting 12 13 based upon a petition to the secretary or managing agent shall 14 be set no later than sixty days from receipt of the petition. 15 The petition shall be valid only if submitted within one hundred 16 twenty days of the earliest signature. 17 [<del>(d)</del> Not] (e) No less than fourteen days in advance of 18 any meeting, the secretary or other officer specified in the 19 bylaws shall cause notice to be: 20 Hand-delivered: (1)

1	(2)	Sent prepaid by United States mail to the mailing	
2		address of each unit or to any other mailing address	
3		designated in writing by the unit owner; or	
4	(3)	At the option of the unit owner, expressed in writing,	
5		by electronic mail to the electronic mailing address	
6		designated in writing by the unit owner.	
7	The notice of any meeting $[must]$ $\underline{shall}$ state the date, time, an		
8	place of t	the meeting and the items on the agenda, including the	
9	general na	ture and rationale of any proposed amendment to the	
10	declaration or bylaws, and any proposal to remove a member of		
11	the board; provided that this subsection shall not preclude any		
12	unit owner from proposing an amendment to the declaration or		
13	bylaws or to remove a member of the board at any annual		
14	associatio	on meeting.	
15	[ <del>-(e)</del>	All association meetings shall be conducted in	
16	accordance	with the most recent edition of Robert's Rules of	
17	Order Newly Revised.		
18	<u>(f)</u>	Notwithstanding any provision to the contrary in the	
19	associatio	on's declaration or bylaws [ <del>or in subsection (b)</del> ],	
20	electronic meetings and electronic, machine, or mail voting may		
21	be authori	zed by the board in its sole discretion:	

1	(1)	During any period in which a state of emergency or
2		local state of emergency, declared pursuant to chapter
3		127A, is in effect in the county in which the
4		condominium is located;
5	(2)	For any association meeting for which notice was given
6		while a state of emergency or local state of
7		emergency, declared pursuant to chapter 127A, was in
8		effect for the county in which the condominium is
9		located but is no longer in effect as of the date of
10		the meeting; provided that the meeting is held within
11		sixty days of the date the notice was first given;
12	[ <del>-(3)</del>	For any electronic, machine, or mail voting for which
13		notice of voting has been sent; provided that the
14		electronic, machine, or mail voting deadline is within
15		sixty days of the date the notice was first sent;
16	<del>(4)</del>	Whenever approved in advance by:
17	(3)	When approved no less than three months and no more
18		than eighteen months before the electronic meeting or
19		electronic, machine, or mail voting by:
20		(A) Written consent of a majority of unit owners; or
21		(B) Majority vote at an association meeting; or

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## H.B. NO. 2315 H.D. 1

1  $[\frac{(5)}{(5)}]$  (4) Whenever otherwise authorized in an association's 2 declaration or bylaws. 3 For any electronic, machine, or mail voting, the voting 4 deadline shall be within sixty days of the date the notice was 5 first sent. The association shall implement reasonable measures 6 to verify that each person permitted to vote is a member of the 7 association or proxy of a member. 8 As used in this subsection, "mail voting" includes sending 9 or receiving written ballots via mail, courier, or electronic 10 transmission; provided that the transmission is a complete 11 reproduction of the original. 12  $[\frac{f}{f}]$  (g) All association meetings shall be held at the 13 address of the condominium or elsewhere within the State as 14 determined by the board; provided that in the event of a natural disaster, [such as a hurricane,] an association meeting may be 15

19 SECTION 5. This Act shall take effect on July 1, 3000.

and stricken. New statutory material is underscored.

SECTION 4. Statutory material to be repealed is bracketed

held outside the State."

### Report Title:

Condominium Association Meetings; Electronic Voting; Mail Voting; Machine Voting

### Description:

Specifies the procedure for condominium association meetings conducted in person and electronically. Clarifies the procedure for electronic, machine, or mail voting. Effective 7/1/3000. (HD1)

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