# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

| 1  | SECTION 1. Section 514B-121, Hawaii Revised Statutes, is      |
|----|---|
| 2  | amended to read as follows:                                   |
| 3  | "§514B-121 Association meetings. (a) A meeting of the         |
| 4  | association shall be held at least once each year.            |
| 5  | [(b) Notwithstanding any other provision of this chapter,     |
| 6  | except as provided in subsection (e), or the declaration or   |
| 7  | bylaws of a condominium to the contrary, at any association   |
| 8  | meeting the board may direct the use of an electronic voting  |
| 9  | device regardless of whether a secret ballot is used or       |
| 10 | required. Except as provided in subsection (e), the use shall |
| 11 | be subject to the following:                                  |
| 12 | (1) The electronic voting device and all associated           |
| 13 | equipment shall be isolated from any connection to an         |
| 14 | external network, including the Internet, or shall use        |
| 15 | a form of encryption comparable to that used for              |
| 16 | secured internet web browsers;                                |

## H.B. NO. 2315 H.D. 1 S.D. 2

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

| 1  | (b) All association meetings shall be conducted in                     |
|----|--|
| 2  | accordance with the most recent edition of Robert's Rules of           |
| 3  | Order Newly Revised.   |
| 4  | (c) Special meetings of the association may be called by               |
| 5  | the president, a majority of the board, or by a petition to the        |
| 6  | secretary or managing agent signed and dated by $[not]$ <u>no</u> less |
| 7  | than twenty-five per cent of the unit owners as shown in the           |
| 8  | association's record of ownership; provided that if the                |
| 9  | secretary or managing agent fails to send out the notices for          |
| 10 | the special meeting within fourteen days of receipt of the             |
| 11 | petition, the petitioners shall have the authority to set the          |
| 12 | time, date, and place for the special meeting and to send out          |
| 13 | the notices and proxies for the special meeting at the                 |
| 14 | association's expense in accordance with the requirements of the       |
| 15 | bylaws and of this part; provided further that a special meeting       |
| 16 | based upon a petition to the secretary or managing agent shall         |
| 17 | be set no later than sixty days from receipt of the petition.          |
| 18 | The petition shall be valid only if submitted within one hundred       |
| 19 | twenty days of the earliest signature.                                 |

| 1  | (d)               | $[rac{Not}]$ $rac{No}{}$ less than fourteen days in advance of any          |
|----|-------------------|---|
| 2  | meeting,          | the secretary or other officer specified in the bylaws                        |
| 3  | shall car         | use notice to be:   |
| 4  | (1)               | Hand-delivered;   |
| 5  | (2)               | Sent prepaid by United States mail to the mailing                             |
| 6  |                   | address of each unit or to any other mailing address                          |
| 7  |                   | designated in writing by the unit owner; or                                   |
| 8  | (3)               | At the option of the unit owner, expressed in writing,                        |
| 9  |                   | by electronic mail to the electronic mailing address                          |
| 10 |                   | designated in writing by the unit owner.                                      |
| 11 | The notion        | ce of any meeting [must] $\underline{\text{shall}}$ state the date, time, and |
| 12 | place of          | the meeting and the items on the agenda, including the                        |
| 13 | general r         | nature and rationale of any proposed amendment to the                         |
| 14 | declarat          | ion or bylaws, and any proposal to remove a member of                         |
| 15 | the board         | d; provided that this subsection shall not preclude any                       |
| 16 | unit owne         | er from proposing an amendment to the declaration or                          |
| 17 | bylaws or         | t to remove a member of the board at any annual                               |
| 18 | associat          | ion meeting.  |
| 19 | [ <del>-(e)</del> | All association meetings shall be conducted in                                |
| 20 | accordanc         | ee with the most recent edition of Robert's Rules of                          |
| 21 | Order Nev         | vly Revised.  |

|    | (6)                 | notwithstanding any provision to the contrary in the            |  |
|----|---------------------|---|--|
| 2  | associati           | on's declaration or bylaws [ <del>or in subsection (b)</del> ], |  |
| 3  | electroni           | c meetings [and electronic, machine, or], electronic            |  |
| 4  | voting, a           | nd mail voting may be authorized by the board in its            |  |
| 5  | sole discretion:    |   |  |
| 6  | (1)                 | During any period in which a state of emergency or              |  |
| 7  |                     | local state of emergency, declared pursuant to chapter          |  |
| 8  |                     | 127A, is in effect in the county in which the                   |  |
| 9  |                     | condominium is located;   |  |
| 10 | (2)                 | For any association meeting for which notice was given          |  |
| 11 |                     | while a state of emergency or local state of                    |  |
| 12 |                     | emergency, declared pursuant to chapter 127A, was in            |  |
| 13 |                     | effect for the county in which the condominium is               |  |
| 14 |                     | located but is no longer in effect as of the date of            |  |
| 15 |                     | the meeting; provided that the meeting is held within           |  |
| 16 |                     | sixty days of the date the notice was first given;              |  |
| 17 | [ <del>-(3)</del> - | For any electronic, machine, or mail voting for which           |  |
| 18 |                     | notice of voting has been sent; provided that the               |  |
| 19 |                     | electronic, machine, or mail voting deadline is within          |  |
| 20 |                     | sixty days of the date the notice was first sent;               |  |
| 21 | <del>(4)</del>      | Whenever approved in advance by:                                |  |

| 1  | <u>(3)</u>  | When approved by adoption of a special meeting rule at |
|----|---|--|
| 2  |   | an association meeting that permits the board to       |
| 3  |   | authorize electronic meetings, electronic voting, and  |
| 4  |   | mail voting;   |
| 5  | (4)   | When approved no less than three months and no more    |
| 6  |   | than eighteen months before the electronic meeting,    |
| 7  |   | electronic voting, and mail voting by:                 |
| 8  |   | (A) Written consent of a majority of unit owners; or   |
| 9  |   | (B) Majority vote at an association meeting; or        |
| 10 | (5)   | Whenever otherwise authorized in an association's      |
| 11 |   | declaration or bylaws.                                 |
| 12 | For a   | any electronic meetings, electronic voting, and mail   |
| 13 | voting, t   | he voting deadline shall be within sixty days of the   |
| 14 | date the  | notice was first sent. The association shall implement |
| 15 | reasonable measures to verify that each person permitted to vot |  |
| 16 | is a membe  | er of the association or proxy of a member.            |
| 17 | As u  | sed in this subsection, "mail voting" includes sending |
| 18 | or receiv   | ing written ballots via mail, courier, or electronic   |
| 19 | transmiss   | ion; provided that the transmission is a complete      |
| 20 | reproduct   | ion of the original.                                   |

## H.B. NO. H.D. 1 S.D. 2

- 1 (f) All association meetings, except those where all
- 2 persons attend by electronic means, shall be held at the address
- 3 of the condominium or elsewhere within the State as determined
- 4 by the board; provided that in the event of a natural disaster,
- 5 [such as a hurricane,] an association meeting may be held
- 6 outside the State."
- 7 SECTION 2. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 3. This Act shall take effect on July 1, 2024.

#### Report Title:

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

#### Description:

Repeals provisions governing the use of electronic voting devices at condominium association meetings. Clarifies the procedure for electronic meetings, electronic voting, and mail voting. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.