JAN 2 0 2023

### A BILL FOR AN ACT

RELATING TO PLANNED COMMUNITY ASSOCIATIONS.

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

- 1 SECTION 1. Section 421J-4, Hawaii Revised Statutes, is
- 2 amended as follows:
- 3 By amending subsection (c) to read:
- 4 "(c) To be valid, a proxy shall:
- Be delivered to the secretary of the association or 5 6 the managing agent, if any, no later than 4:30 p.m.
- 7 Hawaii-Aleutian Standard Time on the second business 8 day prior to the date of the meeting to which it
- 9 pertains; and
- 10 (2) Contain at least the name of the association, the date 11 of the meeting of the association, the printed name 12 and signature of the person or persons giving the 13 proxy, the unit or units for which the proxy is given,
- 14 and the date that the proxy is given."
- 15 By amending subsection (e) to read:
- 16 "(e) Any board of directors that intends to use
- 17 association funds to distribute proxies that include the

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- 1 election of directors shall first post notice of its intent to
- 2 distribute proxies in prominent locations within the project at
- 3 least twenty-one days prior to its distribution of proxies;
- 4 provided that if the board receives within seven days of the
- 5 posted notice a request by any owner for nomination to the board
- 6 accompanied by a statement, the board shall mail to all owners
- 7 either:
- 8 (1) A proxy form containing the names of all owners who
- 9 have requested nomination to the board accompanied by
- their statements; or
- 11 (2) A proxy form containing no names, but accompanied by a
- 12 list of names of all owners who have requested
- nomination to the board and their statements.
- 14 The statement, which shall be limited to black text on
- 15 white paper [and shall indicate], shall not exceed one single-
- 16 sided eight and one-half inches by eleven inches page indicating
- 17 the owner's qualifications to serve on the board or reasons for
- 18 wanting to receive proxies. If the board's notice of intent to
- 19 distribute proxies states that [the statement shall not exceed
- 20 one hundred words, but] a longer statement shall be available on
- 21 the Internet, [then:] the owner may provide a [written

- 1 statement, not to exceed one hundred words, together with a
- 2 longer] statement in an electronic file not to exceed one
- 3 hundred kilobytes[; and the]. The mailing of the written
- 4 statements by the association shall include an internet link
- 5 informing owners that [longer] statements shall be available on
- 6 the Internet. [In all other instances, the statement shall not
- 7 exceed one single-sided eight and one half inches by eleven
- 8 inches page and the association shall not be required to make a
- 9 longer statement available on the Internet.] "
- 10 SECTION 2. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 3. This Act shall take effect upon its approval.

13

INTRODUCED BY:



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#### Report Title:

Condominiums; Proxy; Voting; Hawaii-Aleutian Standard Time; Statements of Qualification; Electronic Statements

### Description:

Clarifies that the deadline for proxy votes to be delivered to the Secretary for association meetings is 4:30 p.m. Hawaii-Aleutian Standard Time. Clarifies that any owner seeking nomination to the Association Board and wanting to receive proxy votes can submit a statement of qualifications that shall not exceed one single-sided eight and one-half inches by eleven inches page. Provides flexibility for an owner seeking nomination to the Association Board to provide an Internet Statement of Qualification.

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