
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. The purpose of this Act is to clarify
2 condominium laws related to proxy votes and information
3 available to owners.

4 SECTION 2. Section 514A-83.2, Hawaii Revised Statutes, is
5 amended by amending subsection (a) to read as follows:

6 "(a) A proxy, to be valid, shall:

7 (1) Be delivered to the secretary of the association of
8 apartment owners or the managing agent, if any, no
9 later than 4:30 p.m. on the second business day prior
10 to the date of the meeting to which it pertains;

11 (2) Contain at least the name of the association of
12 apartment owners, the date of the meeting of the
13 association of apartment owners, the printed names and
14 signatures of the persons giving the proxy, the
15 apartments for which the proxy is given, and the date
16 that the proxy is given; and

17 (3) Contain boxes wherein the owner has indicated that the
18 proxy is given:



- 1 (A) For quorum purposes only; and
- 2 (B) To the individual whose name is printed on a line
- 3 next to this box[~~;~~
- 4 ~~(C) To the board of directors as a whole and that the~~
- 5 ~~vote be made on the basis of the preference of~~
- 6 ~~the majority of the board; or~~
- 7 ~~(D) To those directors present at the meeting and the~~
- 8 ~~vote to be shared with each board member~~
- 9 ~~receiving an equal percentage]."~~

10 SECTION 3. Section 514A-83.4, Hawaii Revised Statutes, is
 11 amended by amending subsection (c) to read as follows:

12 "(c) Minutes of all meetings shall be available within seven
 13 calendar days after approval and unapproved final drafts of the
 14 minutes of a meeting shall be available within [~~sixty~~] seven days
 15 after the meeting[; ~~provided that the minutes of any executive~~
 16 ~~session may be withheld if their publication would defeat the~~
 17 ~~lawful purpose of the executive session].~~

18 Minutes of each monthly meeting shall include all monthly
 19 financial statements and any owner delinquent more than ninety
 20 days and shall be accessible to an owner on the association's
 21 website."



1 SECTION 4. Section 514A-96, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "(b) The board of directors of the association shall make
4 available a copy of the annual audit to each apartment owner at
5 least thirty days prior to the annual meeting which follows the
6 end of the fiscal year. The board shall provide upon all official
7 proxy forms a box wherein the owner may indicate that the owner
8 wishes to obtain a copy of the annual audit report. The board
9 shall not be required to submit a copy of the annual audit report
10 to the owner if the proxy form is not marked. If the annual audit
11 has not been completed by that date, the board shall make
12 available:

- 13 (1) An unaudited year end financial statement for the
14 fiscal year to each apartment owner at least thirty
15 days prior to the annual meeting; and
- 16 (2) The annual audit to all owners at the annual meeting,
17 or as soon as the audit is completed, whichever occurs
18 later[-], and shall address in detail receipts,
19 disbursements, expenditure of reserves, contracts
20 executed within the year, and any pending litigation.

21 If the association's fiscal year ends less than two months
22 prior to the convening of the annual meeting, the year-to-date



1 unaudited financial statement may cover the period from the
2 beginning of the association's fiscal year to the end of the month
3 preceding the date on which notice of the annual meeting is
4 mailed."

5 SECTION 5. Section 514B-123, Hawaii Revised Statutes, is
6 amended by amending subsection (d) to read as follows:

7 "(d) A proxy, to be valid, shall:

8 (1) Be delivered to the secretary of the association or
9 the managing agent, if any, no later than 4:30 p.m. on
10 the second business day prior to the date of the
11 meeting to which it pertains;

12 (2) Contain at least the name of the association, the date
13 of the meeting of the association, the printed names
14 and signatures of the persons giving the proxy, the
15 unit numbers for which the proxy is given, the names
16 of persons to whom the proxy is given, and the date
17 that the proxy is given; and

18 (3) If it is a standard proxy form authorized by the
19 association, contain boxes wherein the owner has
20 indicated that the proxy is given:

21 (A) For quorum purposes only; or



- 1 (B) To the individual whose name is printed on a line
- 2 next to this box[+]
- 3 ~~(C) To the board as a whole and that the vote is to~~
- 4 ~~be made on the basis of the preference of the~~
- 5 ~~majority of the directors present at the meeting,~~
- 6 ~~or~~
- 7 ~~(D) To those directors present at the meeting with~~
- 8 ~~the vote to be shared with each director~~
- 9 ~~receiving an equal percentage].~~

10 The proxy form shall also contain a box wherein the
11 owner may indicate that the owner wishes to obtain a
12 copy of the annual audit report required by section
13 514B-150."

14 SECTION 6. Section 514B-126, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "~~[+]~~§514B-126~~[+]~~ **Board meetings; minutes.** (a) Minutes of
17 meetings of the board shall include the recorded vote of each
18 board member on all motions except motions voted on in executive
19 session.

20 (b) Minutes of meetings of the board shall be approved no
21 later than the second succeeding regular meeting.



1 (c) Minutes of all meetings of the board shall be
2 available within seven calendar days after approval, and
3 unapproved final drafts of the minutes of a meeting shall be
4 available within [~~sixty~~] seven days after the meeting[~~; provided~~
5 ~~that the minutes of any executive session may be withheld if~~
6 ~~their publication would defeat the lawful purpose of the~~
7 ~~executive session~~].

8 (d) Minutes of each monthly meeting shall include all
9 monthly financial statements and any owner delinquent more than
10 ninety days and shall be accessible to an owner on the
11 association's website."

12 SECTION 7. Section 514B-150, Hawaii Revised Statutes, is
13 amended by amending subsection (b) to read as follows:

14 "(b) The board shall make available a copy of the annual
15 audit to each unit owner at least thirty days prior to the
16 annual meeting which follows the end of the fiscal year. The
17 board shall not be required to submit a copy of the annual audit
18 report to an owner if the proxy form issued pursuant to section
19 514B-123(d) is not marked to indicate that the owner wishes to
20 obtain a copy of the report. If the annual audit has not been
21 completed by that date, the board shall make available:



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- 1 (1) An unaudited year end financial statement for the
- 2 fiscal year to each unit owner at least thirty days
- 3 prior to the annual meeting; and
- 4 (2) The annual audit to all owners at the annual meeting,
- 5 or as soon as the audit is completed, but not later
- 6 than six months after the annual meeting~~(-)~~, and shall
- 7 address in detail receipts, disbursements, expenditure
- 8 of reserves, contracts executed within the year, and
- 9 any pending litigation."

10 SECTION 8. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 9. This Act shall take effect upon its approval.

13

INTRODUCED BY: 

JAN 19 2010



Report Title:

Condominium; Proxy Vote; Information Availability

Description:

Clarifies condominium laws related to proxy votes and information available to owners.

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

