
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-3, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~f~~]**§421J-3**[~~f~~] **Board of directors.** (a) Every member of
4 the board of directors shall be a member of the association.
5 However, a developer may appoint or elect directors pursuant to
6 any special voting rights or power of appointment reserved to
7 the master developer.

8 (b) The board of directors shall be composed of the number
9 and group of persons specified in the association documents.
10 There shall not be more than one representative on the board of
11 directors from any one unit that is owned by any person other
12 than the master developer or declarant.

13 (c) No director shall serve more than four consecutive
14 terms of office."

15 SECTION 2. Section 421J-4, Hawaii Revised Statutes, is
16 amended by amending subsection (d) to read as follows:

17 "(d) Any board of directors that uses association funds to
18 distribute proxies that include the election of directors shall



1 first post notice of its intent to distribute proxies in
2 prominent locations within the project at least thirty days
3 prior to its distribution of proxies; provided that if the board
4 receives within seven days of the posted notice a request by any
5 owner for nomination to the board accompanied by a statement,
6 the board shall mail to all owners, either:

- 7 (1) A proxy form, containing the names of all owners who
8 have requested nomination to the board, accompanied by
9 their statements; or
- 10 (2) A proxy form containing no names, but accompanied by a
11 list of names of all owners who have requested
12 nomination to the board and their statements[-];
13 provided that proxies shall be used only for
14 determining quorum, and shall not be used for
15 allocating votes to any particular candidate.

16 On the proxy form, there shall be an additional option in
17 which all proxy votes shall go into a pool in which the votes
18 are to be divided equally among the candidates present at the
19 meeting.

20 The statement, which shall be limited to black text on
21 white paper, shall not exceed [~~one hundred words,~~] one single-
22 sided 8-1/2" x 11" page, indicating the owner's qualifications



1 to serve on the board and reasons for wanting to receive
2 proxies. In addition, a questionnaire approved by the board may
3 accompany the notice of intent to distribute proxies; provided
4 that the questionnaire shall inform the owners that proxy votes
5 will be divided equally among the nominees present at the
6 meeting. The questionnaire shall not exceed one single-sided 8-
7 1/2" x 11" page and shall be distributed to all board nominees,
8 who shall have at least seven days to complete the questionnaire
9 at their discretion. Responses may be written on the
10 questionnaire or on one side of a separate 8-1/2" x 11" page.
11 The board of directors shall include a nominee's responses to
12 the questionnaire with the documents mailed to all owners under
13 paragraphs (1) and (2), and may print the responses either on
14 the back of the nominee's statement or separately."

15 SECTION 3. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Planned Community Associations

Description:

Limits directors of planned community associations to a maximum of four consecutive terms of office. Updates guidelines for proxy mailing and proxy forms. Allows the inclusion of a questionnaire to accompany notice of intent to distribute proxies. Provides that on the proxy form, there shall be an additional option in which all proxy votes shall go into a pool in which the votes are to be divided equally among the candidates present at the meeting. (HB1247 HD1)

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

