NEIL ABERCROMBIE GOVERNOR

June 14, 2013

HONOLULU

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Seventh State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 14, 2013, the following bill was signed into law:

HB791 HD1 SD1

RELATING TO NONPROFIT CORPORATIONS **ACT 126 (13)** 

NEIL ABERCROMBIE

Governor, State of Hawaii

Approved by the Governor, JUN 1 4 2013

ORIGINAL 126

**HOUSE OF REPRESENTATIVES** TWENTY-SEVENTH LEGISLATURE, 2013 STATE OF HAWAII

H.B. NO. 791 S.D. 1

## A BILL FOR AN ACT

RELATING TO NONPROFIT CORPORATIONS.

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

1	SECTION 1. Chapter 414D, Hawaii Revised Statutes, is
2	amended by adding a new section to be appropriately designated
3	and to read as follows:
4	"§414D- Inspection of records by directors. (a) A
5	director of a corporation is entitled to inspect and copy the
6	books, records, and documents of the corporation, including the
7	records described in section 414D-301, at any reasonable time to
8	the extent reasonably related to the performance of the
9	director's duties, including the director's duties as a member
10	of a committee, but not for any other purpose or in any manner
11	that would violate any duty to the corporation or law.
12	(b) The circuit court of the county where the
13	corporation's principal office (or if none in this State,
14	registered office) is located may order inspection and copying
15	of the books, records, and documents demanded at the
16	corporation's expense, upon application of a director who has
17	been refused such inspection or copying rights, unless the
18	corporation establishes that the director is not entitled to
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1	such	inspection	or	copying	rights.	The	court	shall	dispose	οf

- 2 an application under this subsection on an expedited basis.
- 3 (c) If an order is issued, the court may include
- 4 provisions protecting the corporation from undue burden or
- 5 expense, and prohibiting the demanding director from using
- 6 information obtained upon exercise of the inspection or copying
- 7 rights in a manner that would violate a duty to the corporation,
- 8 and may also order the corporation to reimburse the demanding
- 9 director for the director's costs, including reasonable
- 10 attorney's fees, incurred in connection with making the
- 11 application."
- 12 SECTION 2. New statutory material is underscored.
- 13 SECTION 3. This Act shall take effect upon its approval.

APPROVED this 44 day of JUN , 2013

GOVERNOR OF THE STATE OF HAWAII