
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 to read as follows:

3 "§421J-4 Proxies. (a) A proxy shall be in writing and
4 shall be valid for only a specified meeting of the association
5 and any adjournments of that meeting.

6 (b) A member of the association may give a proxy to any
7 person or the board of directors as an entity, and the proxy may
8 be limited as indicated by the member. No proxy shall be
9 irrevocable unless:

10 (1) The proxy is coupled with a financial interest in the
11 unit; or

12 (2) The proxy is held pursuant to a first mortgage of
13 record encumbering a unit or an agreement of sale
14 affecting a unit.

15 (c) To be valid, a proxy shall:

16 (1) Be delivered to the secretary of the association or
17 the managing agent, if any, no later than 4:30 p.m. on



- 1 the second business day prior to the date of the
2 meeting to which it pertains;
- 3 (2) Contain at least the name of the association, the date
4 of the meeting of the association, the printed name
5 and signature of the person or persons giving the
6 proxy, the unit or units for which the proxy is given,
7 and the date that the proxy is given; and
- 8 (3) [~~Contain~~] If it is a standard proxy form authorized by
9 the association, contain boxes wherein the owner has
10 indicated that the proxy is given:
- 11 (A) For quorum purposes only;
- 12 (B) To the individual whose name is printed on a line
13 next to this box;
- 14 (C) To the board of directors as a whole and that the
15 vote be made on the basis of the preference of
16 the majority of the [~~board,~~] directors present at
17 the meeting; or
- 18 (D) To those directors present at the meeting and the
19 vote to be shared with each board member
20 receiving an equal percentage.



1 (d) Any board of directors that [~~uses~~] intends to use
2 association funds to distribute proxies that include the
3 election of directors shall first post notice of its intent to
4 distribute proxies in prominent locations within the project at
5 least [~~thirty~~] twenty-one days prior to its distribution of
6 proxies; provided that if the board receives within seven days
7 of the posted notice a request by any owner for nomination to
8 the board accompanied by a statement, the board shall mail to
9 all owners either:

10 (1) A proxy form containing the names of all owners who
11 have requested nomination to the board accompanied by
12 their statements; or

13 (2) A proxy form containing no names, but accompanied by a
14 list of names of all owners who have requested
15 nomination to the board and their statements.

16 The statement [~~shall not exceed one hundred words~~], which
17 shall be limited to black text on white paper, shall not exceed
18 one single-sided eight and one-half inches by eleven inch page
19 indicating the owner's qualifications to serve on the board
20 [~~and~~] or reasons for wanting to receive proxies.



1 (e) Nothing in this section shall affect the holder of any
2 proxy under a first mortgage of record encumbering an apartment
3 or under an agreement of sale affecting an apartment.

4 (f) Nothing in this section shall prohibit the use of
5 proxies for filling vacancies that occur after the notice of the
6 annual meeting has been distributed.

7 (g) No managing agent or resident manager, or their
8 employees, shall solicit, for use by the managing agent or
9 resident manager, any proxies from any member of the association
10 that retains the managing agent or employs the resident manager,
11 nor shall the managing agent or resident manager cast any proxy
12 vote at any association meeting except for the purpose of
13 establishing a quorum."

14 SECTION 2. This Act does not affect rights and duties that
15 matured, penalties that were incurred, and proceedings that were
16 begun before its effective date.

17 SECTION 3. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2112.



Report Title:

Planned Community Associations; Proxy Statements

Description:

Amends various proxy statement requirements for planned community associations to conform to requirements for other, similar statements. (HB1541 HD1)

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

