

Honolulu, Hawaii
March 4, 2016

RE: H.B. No. 1541
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1541, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS,"

begs leave to report as follows:

The purpose of this measure is to change proxy statement requirements for planned community associations by making the requirements similar to that for condominium associations.

Specifically, this measure:

- (1) Provides flexibility to homeowners who use their own proxy forms by specifying that standard proxy forms authorized by a planned community association must adhere to certain specification requirements;
- (2) Specifies that proxies that name a planned community association board of directors as an entity shall be decided based upon the majority of the directors present at the meeting;
- (3) Clarifies that a planned community association board of directors that intends to use proxies must post notice, and reduces the posting time to twenty-one days;



- (4) Changes the statement specifications as they relate to the statement of a homeowner requesting nomination to a planned community association board of directors; and
- (5) Prohibits a managing agent, resident manager, or their employees from soliciting any proxies from any unit owner of a planned community association that retains the managing agent or employs the resident manager and uses them as a proxy at a planned community association meeting.

The Hawaii State Association of Parliamentarians, Associa, and Hawaii Council of Associations of Apartment Owners testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1541, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



