

JAN 24 2019

A BILL FOR AN ACT

RELATING TO CONDOMINIUM VOTING.

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

1 SECTION 1. The legislature finds that many condominiums
2 are governed by declarations and bylaws that require secret
3 ballots at their association meetings. This can be unduly
4 burdensome for condominiums that need to ballot with different
5 common interests.

6 The purpose of this Act is to authorize the use of an
7 electronic voting device at condominium association meetings in
8 place of the secret ballot; provided that the board of directors
9 establishes procedures to ensure a reasonable level of ballot
10 secrecy and integrity.

11 SECTION 2. Section 514B-106, Hawaii Revised Statutes, is
12 amended by amending subsection (f) to read as follows:

13 "(f) At any regular or special meeting of the association,
14 any member of the board may be removed and successors shall be
15 elected for the remainder of the term to fill the vacancies thus
16 created. The removal and replacement shall be by a vote of a
17 majority of the unit owners and, otherwise, in accordance with



1 all applicable requirements and procedures in the bylaws for the
2 removal and replacement of directors and, if removal and
3 replacement is to occur at a special meeting, section
4 [~~514B-121(b)~~] 514B-121(c)."

5 SECTION 3. Section 514B-110, Hawaii Revised Statutes, is
6 amended by amending subsection (e) to read as follows:

7 "(e) Election of the new board in accordance with an
8 amendment adopted pursuant to this section shall be held at the
9 next regular meeting of the association or at a meeting called
10 in accordance with section [~~514B-121(b)~~] 514B-121(c) for this
11 purpose."

12 SECTION 4. Section 514B-121, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "§514B-121 **Association meetings.** (a) A meeting of the
15 association shall be held at least once each year.

16 (b) Notwithstanding any other provision of this chapter or
17 the declaration or bylaws of a condominium to the contrary, at
18 any association meeting where a secret ballot is required or
19 used, the board may direct the use of an electronic voting
20 device instead of a secret ballot. Such use shall be subject to
21 the following:



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- 1 (1) The electronic voting device and all associated
2 equipment shall be isolated from any connection to an
3 external network, including the Internet;
- 4 (2) The board shall establish reasonable procedures to
5 provide for the secrecy and integrity of the unit
6 owners' votes, including but not limited to procedures
7 that ensure the availability of a printed audit trail
8 containing:
- 9 (A) The reference number of the electronic voting
10 device;
- 11 (B) Each common interest voted; and
- 12 (C) The vote that was tabulated;
- 13 (3) A copy of the printed audit trail shall be available
14 to owners after the meeting in the same manner
15 provided by sections 514B-154 and 514B-154.5; and
- 16 (4) A copy of the procedures established pursuant to
17 paragraph (2) shall be available at no charge to any
18 owner and a copy shall be available at any meeting at
19 which the association uses an electronic voting
20 device.



1 ~~[(b)]~~ (c) Special meetings of the association may be
2 called by the president, a majority of the board, or by a
3 petition to the secretary or managing agent signed by not less
4 than twenty-five per cent of the unit owners as shown in the
5 association's record of ownership; provided that if the
6 secretary or managing agent fails to send out the notices for
7 the special meeting within fourteen days of receipt of the
8 petition, the petitioners shall have the authority to set the
9 time, date, and place for the special meeting and to send out
10 the notices and proxies for the special meeting at the
11 association's expense in accordance with the requirements of the
12 bylaws and of this part; provided further that a special meeting
13 based upon a petition to the secretary or managing agent shall
14 be set no later than sixty days from receipt of the petition.

15 ~~[(e)]~~ (d) Not less than fourteen days in advance of any
16 meeting, the secretary or other officer specified in the bylaws
17 shall cause notice to be:

- 18 (1) Hand-delivered;
- 19 (2) Sent prepaid by United States mail to the mailing
20 address of each unit or to any other mailing address
21 designated in writing by the unit owner; or



1 (3) At the option of the unit owner, expressed in writing,
2 by electronic mail to the electronic mailing address
3 designated in writing by the unit owner.

4 The notice of any meeting must state the date, time, and place
5 of the meeting and the items on the agenda, including the
6 general nature and rationale of any proposed amendment to the
7 declaration or bylaws, and any proposal to remove a member of
8 the board; provided that this subsection shall not preclude any
9 unit owner from proposing an amendment to the declaration or
10 bylaws or to remove a member of the board at any annual
11 association meeting.

12 ~~[(d)]~~ (e) All association meetings shall be conducted in
13 accordance with the most recent edition of Robert's Rules of
14 Order Newly Revised. If so provided in the declaration or
15 bylaws, meetings may be conducted by any means that allow
16 participation by all unit owners in any deliberation or
17 discussion.

18 ~~[(e)]~~ (f) All association meetings shall be held at the
19 address of the condominium or elsewhere within the State as
20 determined by the board; provided that in the event of a natural



1 disaster, such as a hurricane, an association meeting may be
2 held outside the State."

3 SECTION 5. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 6. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 7. This Act shall take effect on July 1, 2019.
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INTRODUCED BY:

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Report Title:

Condominiums; Voting; Electronic Voting Device; Associations

Description:

Provides for the use of an electronic voting device in condominium association meetings. Requires a condominium board to take reasonable steps to ensure secrecy and integrity of the votes, and that an audit trail be available after the meeting.

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

