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HOUSE BILL 2567

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State of Washington                      63rd Legislature                      2014 Regular Session

By Representatives Zeiger, Morrell, Rodne, and Jinkins

Read first time 01/21/14. Referred to Committee on Judiciary.

1            AN ACT Relating to the approval of minutes from annual meetings of  
2 homeowners' associations; and amending RCW 64.38.035.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 64.38.035 and 2013 c 108 s 1 are each amended to read  
5 as follows:

6            (1) A meeting of the association must be held at least once each  
7 year. Special meetings of the association may be called by the  
8 president, a majority of the board of directors, or by owners having  
9 ten percent of the votes in the association.

10           (2) Not less than fourteen nor more than sixty days in advance of  
11 any meeting of the association, the secretary or other officers  
12 specified in the bylaws shall provide written notice to each owner of  
13 record by:

14           (a) Hand-delivery to the mailing address of the owner or other  
15 address designated in writing by the owner;

16           (b) Prepaid first-class United States mail to the mailing address  
17 of the owner or to any other mailing address designated in writing by  
18 the owner; or

1 (c) Electronic transmission to an address, location, or system  
2 designated in writing by the owner. Notice to owners by an electronic  
3 transmission complies with this section only with respect to those  
4 owners who have delivered to the secretary or other officers specified  
5 in the bylaws a written record consenting to receive electronically  
6 transmitted notices. An owner who has consented to receipt of  
7 electronically transmitted notices may revoke the consent at any time  
8 by delivering a written record of the revocation to the secretary or  
9 other officer specified in the bylaws. Consent is deemed revoked if  
10 the secretary or other officer specified in the bylaws is unable to  
11 electronically transmit two consecutive notices given in accordance  
12 with the consent.

13 (3) The notice of any meeting shall state the time and place of the  
14 meeting and the business to be placed on the agenda by the board of  
15 directors for a vote by the owners, including the general nature of any  
16 proposed amendment to the articles of incorporation, bylaws, any budget  
17 or changes in the previously approved budget that result in a change in  
18 assessment obligation, and any proposal to remove a director.

19 (4) Except as provided in this subsection, all meetings of the  
20 board of directors shall be open for observation by all owners of  
21 record and their authorized agents. The board of directors shall keep  
22 minutes of all actions taken by the board, which shall be available to  
23 all owners. The secretary or other officers specified in the bylaws  
24 must provide each owner of record, for approval, the minutes from the  
25 annual meeting described in subsection (1) of this section by means of  
26 any of the delivery options available under subsection (2) of this  
27 section not less than fourteen nor more than sixty days after the  
28 meeting. Each owner of record must respond within fourteen to twenty-  
29 one days of receiving the minutes, indicating whether he or she  
30 approves the minutes and delivering his or her response to the  
31 secretary or other officers specified in the bylaws by means of any of  
32 the delivery options available under subsection (2) of this section.  
33 Upon the affirmative vote in open meeting to assemble in closed  
34 session, the board of directors may convene in closed executive session  
35 to consider personnel matters; consult with legal counsel or consider  
36 communications with legal counsel; and discuss likely or pending  
37 litigation, matters involving possible violations of the governing  
38 documents of the association, and matters involving the possible

1 liability of an owner to the association. The motion shall state  
2 specifically the purpose for the closed session. Reference to the  
3 motion and the stated purpose for the closed session shall be included  
4 in the minutes. The board of directors shall restrict the  
5 consideration of matters during the closed portions of meetings only to  
6 those purposes specifically exempted and stated in the motion. No  
7 motion, or other action adopted, passed, or agreed to in closed session  
8 may become effective unless the board of directors, following the  
9 closed session, reconvenes in open meeting and votes in the open  
10 meeting on such motion, or other action which is reasonably identified.  
11 The requirements of this subsection shall not require the disclosure of  
12 information in violation of law or which is otherwise exempt from  
13 disclosure.

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