SENATE BILL 5250

State of Washington 65th Legislature 2017 Regular Session

By Senators Keiser, Rivers, and Hasegawa

Read first time 01/18/17. Referred to Committee on Financial Institutions & Insurance.

- 1 AN ACT Relating to amendments to bylaws of a condominium
- 2 association; and amending RCW 64.34.324.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 64.34.324 and 2004 c 201 s 3 are each amended to 5 read as follows:
- 6 (1) Unless provided for in the declaration, the bylaws of the 7 association shall provide for:
- 8 (a) The number, qualifications, powers and duties, terms of 9 office, and manner of electing and removing the board of directors 10 and officers and filling vacancies;
- 11 (b) Election by the board of directors of such officers of the 12 association as the bylaws specify;
- 13 (c) Which, if any, of its powers the board of directors or 14 officers may delegate to other persons or to a managing agent;
- 15 (d) Which of its officers may prepare, execute, certify, and record amendments to the declaration on behalf of the association;
- 17 (e) <u>Subject to subsection (4) of this section</u>, the method of 18 amending the bylaws; and
- 19 (f) A statement of the standard of care for officers and members 20 of the board of directors imposed by RCW 64.34.308(1).

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(2) Subject to the provisions of the declaration, the bylaws may provide for any other matters the association deems necessary and appropriate.

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- (3) In determining the qualifications of any officer or director 4 the association, notwithstanding the 5 of provision of 6 64.34.020(((32))) the term "unit owner" in such context shall, unless the declaration or bylaws otherwise provide, be deemed to 7 include any director, officer, partner in, or trustee of any person, 8 who is, either alone or in conjunction with another person or 9 persons, a unit owner. Any officer or director of the association who 10 would not be eligible to serve as such if he or she were not a 11 12 director, officer, partner in, or trustee of such a person shall be disqualified from continuing in office if he or she ceases to have 13 any such affiliation with that person, or if that person would have 14 15 been disqualified from continuing in such office as a natural person.
 - (4) If the affirmative vote of a minimum percentage of unit owners are required to amend the bylaws, the number of votes needed for passage may be determined by subtracting the number of unreturned ballots from the total number of unit owners and applying the minimum percentage to the resulting number if:
 - (a) The proposed amendment to the bylaws is to be voted upon at a properly convened meeting of the unit owners and notice of the meeting is accompanied by the text of each proposed amendment to be voted upon; and
 - (b) Any unit owner who fails to vote on the proposed amendment at a properly convened meeting is subsequently provided with at least three notices, sent by United States mail at least ten days apart, with an opportunity to vote by mail or, if authorized by the declarations or bylaws, electronic transmission. Such notices must include the text of each proposed amendment to be voted upon, a ballot for the purpose of casting the unit owner's vote, the time and date by which the ballot must be delivered to the association, and a statement that a unit owner's failure to return a ballot will result in the unit owner's vote being disregarded from the total number of unit owners.

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