
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. The legislature finds that existing law on
2 voting pursuant to a proxy at a meeting of a condominium
3 association specifies that a standard proxy form must contain
4 boxes for a condominium owner to check and indicate how a proxy
5 is given. However, proxy forms may sometimes be returned to an
6 association's secretary or managing agent with more than one box
7 checked, or with nothing marked on the proxy form. This may
8 lead to confusion over how the proxy should be counted.

9 Accordingly, the purpose of this Act is to clarify the
10 circumstances under which a proxy shall be counted for quorum
11 purposes only.

12 SECTION 2. Section 514B-123, Hawaii Revised Statutes, is
13 amended by amending subsection (d) to read as follows:

14 "(d) A proxy, to be valid, shall:

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



1 A proxy form that is returned with no box under this
2 paragraph checked or more than one box under this
3 paragraph checked, shall be deemed defective and
4 counted for quorum purposes only; and

5 (4) ~~[The proxy form shall also contain]~~ Contain a box
6 wherein the owner may indicate that the owner wishes
7 to obtain a copy of the annual audit report required
8 by section 514B-150."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval.



Report Title:

Condominiums; Associations; Meetings; Voting; Proxies

Description:

Clarifies that when a standard proxy form is returned with no proxy or voting boxes checked or more than one proxy or voting box checked, the proxy shall be counted for quorum purposes only. Exempts box requesting an annual audit report from determining validity of proxy. (HB239 HD2)

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