

ACT 107

H.B. NO. 3241

A Bill for an Act Relating to Condominium Proxies.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 514A-83.2, Hawaii Revised Statutes, is amended to read as follows:

**“§514A-83.2 Proxies.** (a) A proxy, to be valid, must [be]:

- (1) Be delivered to the secretary of the association of apartment owners or the managing agent, if any, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains[, and must contain];
- (2) Contain at least[:] the name of the association of apartment owners, the date of the meeting of the association of apartment owners, the printed name and signature of the person or persons giving the proxy, the apartment or apartments for which the proxy is given, [the printed name of the person or entity to whom the proxy is given,] and the date that the proxy is given[.]; and
- (3) Contain boxes wherein the owner has indicated that the proxy is given:
  - (A) For quorum purposes only;
  - (B) To the individual whose name is printed on a line next to this box;
  - (C) To the board of directors as a whole and that the vote be made on the basis of the preference of the majority of the board; or
  - (D) To those directors present at the meeting and the vote to be shared with each board member receiving an equal percentage.

(b) A proxy shall only be valid for the meeting to which the proxy pertains and its adjournments, may designate any person as proxy, and may be limited as the apartment owner desires and indicates; provided that no proxy shall be irrevocable unless coupled with a financial interest in the unit.

[(c) All proxy forms, at the minimum, shall contain boxes wherein the owner may indicate that the owner wishes the proxy:

- (1) To be given for quorum purposes only;
- (2) To be given to a specific individual whose name is printed by the owner next to this box;
- (3) To be given to the board of directors as a whole and that the vote be made on the basis of the preference of the majority of the board; or
- (4) To be given to those directors present at the meeting and the vote to be shared with each board member receiving an equal percentage.

A proxy form which does not have a box marked shall be considered a proxy for quorum purposes only.

(d)] (c) No officer of a board of directors shall use association funds to solicit proxies; provided that this shall not prevent an officer from exercising the officer's right as an apartment owner under section 514A-82(b)(4).

[(e)] (d) Nothing in this section shall affect the holder of any proxy under a first mortgage of record encumbering an apartment or under an agreement of sale affecting an apartment.”

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SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 12, 1996.)