## A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

- 1 The legislature finds that existing law on SECTION 1. 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 that 10 when a proxy is returned with no boxes checked or more than one 11 box checked, the proxy shall be counted for quorum purposes 12 only. Section 514B-123, Hawaii Revised Statutes, is
- 13 14 amended by amending subsection (d) to read as follows:
- 15 "(d) A proxy, to be valid, shall:
- 16 Be delivered to the secretary of the association or **17** 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)	[ <del>If it is</del> ] <u>Be</u> 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.

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l	The proxy form shall also contain a box wherein the
2	owner may indicate that the owner wishes to obtain a
3	copy of the annual audit report required by section
1	514B-150. A proxy form that is returned with no box
5	checked or more than one box checked, shall be counted
6	for quorum purposes only."
7	SECTION 3. Statutory material to be repealed is bracketed
3	and stricken. New statutory material is underscored.
)	SECTION 4. This Act shall take effect on July 1, 2099.

### Report Title:

Condominiums; Associations; Meetings; Voting; Proxies

### Description:

Clarifies that when a standard proxy form is returned with no boxes checked or more than one box checked, the proxy shall be counted for quorum purposes only. (HB239 HD1)

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