

JAN 20 2017

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 that
10 when a proxy is returned with no boxes checked or more than one
11 box checked, the proxy shall be deemed defective and will be
12 counted for quorum purposes only.

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

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

16 (1) 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) If it is a standard proxy form authorized by the
10 association, 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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1 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
 4 514B-150 [-]; and

5 (4) If it is a standard proxy form authorized by the
 6 association and is returned with no box checked or
 7 more than one box checked, be deemed defective and be
 8 counted for quorum purposes only."

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.

12

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S.B. NO. 392

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 deemed defective and shall be counted for quorum purposes only.

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