
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

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PART I

SECTION 1. The legislature finds that Act 189, Session Laws of Hawaii 2023, established the condominium property regime task force, which met on September 11, 2023; October 27, 2023; November 30, 2023; and December 14, 2023, to develop recommendations as part of its interim report to the legislature before the start of the regular session of 2024. Task force members sought and received information from the department of commerce and consumer affairs and several members of the public submitted written testimony and presented oral comments during hybrid remote and in-person meetings held by the task force. Links to the task force meetings and written materials have been made available on the department of commerce and consumer affairs' website and the legislature's website. The interim report requested that the legislative reference bureau study and report on certain subjects concerning condominiums to enable the



1 task force to better recommend legislation on an informed and
2 objective basis.

3 Accordingly, the purpose of this Act is to:

- 4 (1) Require and appropriate funds for the legislative
5 reference bureau to conduct a study on how certain
6 other states approach certain subjects as they relate
7 to condominiums; and
- 8 (2) Extend the final report deadline and dissolution date
9 of the condominium property regime task force to
10 June 30, 2026.

11 SECTION 2. (a) The legislative reference bureau shall
12 study and submit a report on the approaches employed by certain
13 other states regarding the following condominium subjects:

- 14 (1) A condominium ombudsman or similar position to
15 specifically oversee condominiums;
- 16 (2) Required licenses for individuals involved in the
17 management of condominiums;
- 18 (3) The availability of dedicated alternative dispute
19 resolution or similar programs that are specifically
20 for the prevention or resolution of condominium-
21 related disputes and are separate from alternative



- 1 dispute resolution programs available for other
- 2 disputes;
- 3 (4) Governmental regulation and enforcement of condominium
- 4 operations and governance that are separate from an
- 5 ombudsman referenced in paragraph (1);
- 6 (5) Requirements for owner education at the point of sale
- 7 of a unit;
- 8 (6) Requirements for owner access to condominium
- 9 documents; and
- 10 (7) Limitations on the total and final legal fees in
- 11 excess of the original debt amount sought that an
- 12 association can access, demand, or seek reimbursement
- 13 for from a unit owner.
- 14 (b) To the extent feasible, each subject shall include:
- 15 (1) Descriptive information detailing the approach of each
- 16 jurisdiction;
- 17 (2) Identified strengths and weaknesses of each particular
- 18 approach; and
- 19 (3) Identified best practices in the jurisdiction.
- 20 (c) The jurisdictions to be studied shall be:
- 21 (1) California;



- 1 (2) Delaware;
- 2 (3) Florida;
- 3 (4) Massachusetts;
- 4 (5) Nevada; and
- 5 (6) Any other jurisdiction deemed relevant by the
- 6 legislative reference bureau.

7 (d) The legislative reference bureau may contract the
 8 services of a consultant without regard to chapter 103D, Hawaii
 9 Revised Statutes, for the purposes of the study and report.

10 (e) The legislative reference bureau shall submit the
 11 report to the legislature and the condominium property regime
 12 task force no later than twenty days prior to the convening of
 13 the regular session of 2026.

14 SECTION 3. There is appropriated out of the general
 15 revenues of the State of Hawaii the sum of \$ or so
 16 much thereof as may be necessary for fiscal year 2024-2025 for
 17 the legislative reference bureau to conduct a study of
 18 condominium subjects in other states.

19 The sum appropriated shall be expended by the legislative
 20 reference bureau for the purposes of this Act.



1 SECTION 4. In accordance with section 9 of article VII, of
2 the Constitution of the State of Hawaii and sections 37-91 and
3 37-93, Hawaii Revised Statutes, the legislature has determined
4 that the appropriation contained in this Act will cause the
5 state general fund expenditure ceiling for fiscal year 2024-2025
6 to be exceeded by \$ or per cent. The reasons
7 for exceeding the general fund expenditure ceiling are that the
8 appropriation made in this Act is necessary to serve the public
9 interest and to meet the needs provided for by this Act.

10 PART II

11 SECTION 5. Act 189, Session Laws of Hawaii 2023, section
12 3, is amended by amending subsections (e) and (f) to read as
13 follows:

14 "(e) The task force shall submit a final report of its
15 findings and recommendations, including any proposed
16 legislation, to the legislature no later than ~~[twenty days prior~~
17 ~~to the convening of the regular session of 2025.]~~ June 30, 2026.

18 (f) The task force shall cease to exist on June 30,
19 ~~[2025.]~~ 2026."

20 PART III



1 SECTION 6. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 7. This Act shall take effect on July 1, 3000.



Report Title:

LRB; Condominium Property Regime Task Force; Study; Report;
Expenditure Ceiling; Appropriation

Description:

Requires and appropriates funds for the Legislative Reference Bureau to conduct a study on how certain other states approach certain subjects as they relate to condominiums. Extends the final report deadline and dissolution date of the Condominium Property Regime Task Force to 6/30/2026. Declares that the general fund expenditure ceiling is exceeded. Effective 7/1/3000. (SD1)

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