
A BILL FOR AN ACT

RELATING TO REAL PROPERTY.

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

1 SECTION 1. The legislature finds that under existing law,
2 a condominium unit owner is entitled to certain documents
3 regarding the owner's condominium. However, clarification
4 regarding document disclosure is needed for those condominium
5 projects in the State that are registered as time share projects
6 and contain a combination of time share interests, transient
7 vacation rentals, and private residential units. The
8 legislature further finds that existing condominium law also
9 needs clarification to ensure that boards of directors of
10 condominium associations remain compliant with the mandatory
11 provisions of the State's condominium laws.

12 The purpose of this Act is to:

13 (1) Clarify that projects registered under the time share
14 law that contain a combination of time share
15 interests, transient vacation rentals, and private
16 residential units located in the same project are



1 required to provide basic documents that will enable
2 an owner to sell the owner's time share interest;

3 (2) Specify that a plan manager of a time share owners
4 association or vacation club board of directors shall
5 provide specific information to owners regarding
6 candidates for election to the board of directors
7 within thirty days prior to the election; and

8 (3) Specify that no representative of a plan manager shall
9 have a controlling interest on a board of directors
10 for a time share owners association or vacation club.

11 SECTION 2. Chapter 514E, Hawaii Revised Statutes, is
12 amended by adding two new sections to be appropriately
13 designated and to read as follows:

14 "§514E- Association documents to be provided.

15 Notwithstanding any other provision in the declarations,
16 association bylaws, or association rules and regulations, the
17 resident manager or property manager of a time share project
18 registered under this chapter that contains a combination of
19 time share interests, transient vacation rentals, and private
20 residential units located in the same project shall provide any
21 basic documents that an owner may require to sell the owner's



1 time share interest; provided that the documents requested
2 pursuant to this section shall be provided within thirty days of
3 an owner's written or electronic request to the resident manager
4 or property manager, as appropriate.

5 §514E- Time share owners associations; vacation clubs;
6 board of directors; elections. (a) The plan manager of a time
7 share owners association or vacation club board of directors
8 shall send a list to all owners, which includes the names,
9 biographies, and contact information of all candidates seeking
10 election, at least thirty days in advance of any meeting to
11 elect members to the board of directors.

12 (b) No representative of a plan manager shall have a
13 controlling interest on a board of directors for a time share
14 owners association or vacation club."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on July 1, 2059.

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Report Title:

Real Property; Condominiums; Time Share Projects; Association Documents; Board of Directors; Fiduciary Duty

Description:

Clarifies that projects that contain a combination of time share interests, transient vacation rentals, and private residential units located in the same project are required to provide basic documents that will enable an owner to sell the owner's time share interest. Specifies that a plan manager of a time share owners association or vacation club board of directors must provide specific information to owners regarding candidates for election to the board of directors within thirty days prior to the election and shall not have a controlling interest on the board of directors. (SB306 HD1)

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