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# A BILL FOR AN ACT

RELATING TO CONDOMINIUM PROPERTY REGIMES.

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

1           SECTION 1. Chapter 514B, Hawaii Revised Statutes, is  
2 amended by adding a new section to part IV to be appropriately  
3 designated and to read as follows:

4           "§514B- Board member educational training course; board  
5 of directors. (a) The real estate commission shall procure an  
6 online board member educational training course that is designed  
7 specifically to assist, and may be taken by, members of the  
8 board of directors of a residential project or association of  
9 twenty or more residential units, including any residential  
10 project or association of twenty or more residential units that  
11 is subject to chapter 514A.

12           (b) The board member educational training course shall  
13 include:

- 14           (1) Explanations and discussions of applicable condominium  
15           laws;  
16           (2) Specific technical and legal requirements;



- 1        (3) The underlying purposes and principles of condominium
- 2            laws;
- 3        (4) Examples of practical application of the laws and
- 4            principles; and
- 5        (5) A question-and-answer participatory segment regarding
- 6            common problems and situations.

7 The real estate commission shall be responsible for developing  
 8 the methods necessary to implement the course; provided that any  
 9 online videos used shall include codes or questions to be  
 10 randomly inserted in order to maintain the viewer's ongoing  
 11 attention.

- 12        (c) The real estate commission shall:
- 13            (1) Procure the services of a third party provider,
- 14            through the procurement code, to administer the board
- 15            member educational training course;
- 16            (2) Reimburse the third party provider through funds in
- 17            the condominium education trust fund; and
- 18            (3) Promote the board member educational training course
- 19            to each resident manager or managing agent for each
- 20            property managed by the resident manager or managing
- 21            agent, through the commission's usual means of



1           correspondence with resident managers or managing  
 2           agents, including newsletters, hard copy mail,  
 3           electronic mail, or the Internet, to notify members of  
 4           boards of directors that they have the option to take  
 5           the board member educational training course."

6           SECTION 2. There is appropriated out of the general  
 7 revenues of the State of Hawaii the sum of \$           or so much  
 8 thereof as may be necessary for fiscal year 2017-2018 for the  
 9 establishment of one full-time equivalent (1.00 FTE) permanent  
 10 condominium specialist position in the real estate commission of  
 11 the department of commerce and consumer affairs to provide  
 12 assistance to condominium owners and provide additional support  
 13 for the condominium hotline currently operated by the real  
 14 estate commission.

15           The sum appropriated shall be expended by the department of  
 16 commerce and consumer affairs for the purposes of this Act.

17           SECTION 3. There is appropriated out of the condominium  
 18 education trust fund the sum of \$           or so much thereof as  
 19 may be necessary for fiscal year 2017-2018 and the same sum or  
 20 so much thereof as may be necessary for fiscal year 2018-2019  
 21 for reimbursement for the services of a third party provider



1 procured by the department of commerce and consumer affairs to  
2 administer the board member educational training course, as  
3 provided by this Act.

4 The sums appropriated shall be expended by the department  
5 of commerce and consumer affairs for the purposes of this Act.

6 SECTION 4. The real estate commission shall submit a  
7 report to the legislature twenty days prior to the convening of  
8 the regular session of 2018 that analyzes the condominium  
9 education hotline established by the real estate commission,  
10 including all relevant statistics on its efficacy, such as the  
11 amount of calls the hotline receives, how many issues are  
12 resolved, and feedback from actual callers, as well as any other  
13 information on the effectiveness of the hotline.

14 SECTION 5. New statutory material is underscored.

15 SECTION 6. This Act shall take effect on July 1, 2112.



**Report Title:**

Condominium Property Regimes; Board of Directors; Ethics Course

**Description:**

Requires and provides funding for the Real Estate Commission to procure an online board member educational training course for the board of directors of residential condominium projects of at least 20 units. Establishes and funds a condominium specialist position to assist condominium owners and support the Commission's condominium hotline. (HB406 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

