
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 homeowners who
2 subdivide their property into as few as two units under a
3 condominium property regime are considered developers under
4 chapter 514B, Hawaii Revised Statutes. Section 514B-58, Hawaii
5 Revised Statutes, requires developers to file an annual report
6 and pay a corresponding annual fee of \$50 until all units have
7 been sold. This law has unduly burdened homeowner-developers
8 who permanently reside in one of the units and therefore cannot
9 satisfy the requirement of selling every unit, which would
10 otherwise eliminate the need to file an annual report and pay
11 the annual fee.

12 The purpose of this Act is to relieve from the burden of
13 filing annual reports and paying the corresponding annual \$50
14 filing fee those individual homeowners whose development
15 consists of not more than two units, in which the developer
16 resides in one unit and the initial sale of the other unit has
17 been completed.



1 SECTION 2 Section 514B-58, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The developer, its successor, or assign shall be
4 relieved from filing subsequent annual reports pursuant to this
5 section [~~when~~] after filing an annual report notifying that the
6 initial sales of all units have been completed[-], including any
7 development:

- 8 (1) That consists of not more than two units;
- 9 (2) In which one of the units is the principal place of
10 residence of the developer, its successor, or assign;
11 and
- 12 (3) For which the initial sale of the other unit has been
13 completed."

14 SECTION 3. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on January 1, 2050.

Report Title:

Condominiums; Developers; Annual Report; Homeowner-Developers

Description:

Excludes a homeowner-developer from the annual requirement to file a developer's report and pay a fee if the homeowner's development consists of not more than two units, in which the developer resides in one of the units and the initial sale of the other unit has been completed. Effective 1/1/2050. (HD1)

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