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# A BILL FOR AN ACT

RELATING TO BOARD MEMBERS.

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

1 PART I

2 SECTION 1. (a) Notwithstanding the requirements of  
3 referral by concurrent resolution pursuant to section 26H-6,  
4 Hawaii Revised Statutes, the auditor shall analyze the probable  
5 effects of a proposed regulatory measure to require members of  
6 condominium association boards of directors to:

7 (1) Review the association's articles of incorporation,  
8 bylaws, and rules and regulations, and the provisions  
9 of the provisions of the Condominium Property Act  
10 within ninety days of election to the board; and

11 (2) Complete a leadership course approved by the real  
12 estate commission within one year of election to the  
13 board, if the member serves on the board of a  
14 condominium project or association with more than  
15 fifty units,

16 and assess whether its enactment is consistent with the policies  
17 under section 26H-2, Hawaii Revised Statutes. The proposed



1 measure to be analyzed shall be Senate Bill No. 729, S.D. 1,  
2 H.D. 1 (regular session of 2023).

3 (b) The auditor shall submit a report of the analysis  
4 requested in this part to the legislature no later than twenty  
5 days prior to the convening of the regular session of 2024.

6 PART II

7 SECTION 2. Section 467-4, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "**§467-4 Powers and duties of commission.** In addition to  
10 any other powers and duties authorized by law, the real estate  
11 commission shall:

- 12 (1) Grant licenses, registrations, and certificates  
13 pursuant to this chapter;
- 14 (2) Adopt, amend, or repeal rules as it may deem proper to  
15 effectuate this chapter and carry out its purpose,  
16 which is the protection of the general public in its  
17 real estate transactions. All rules shall be approved  
18 by the governor and [~~the~~] director of commerce and  
19 consumer affairs, and when adopted pursuant to chapter  
20 91 shall have the force and effect of law. The rules  
21 may forbid acts or practices deemed by the commission



1 to be detrimental to the accomplishment of the purpose  
2 of this chapter, and the rules may require real estate  
3 brokers and salespersons to complete educational  
4 courses or to make reports to the commission  
5 containing items of information as will better enable  
6 the commission to enforce this chapter and the rules,  
7 or as will better enable the commission from time to  
8 time to amend the rules to more fully effect the  
9 purpose of this chapter, and, further, the rules may  
10 require real estate brokers and salespersons to  
11 furnish reports to their clients containing matters of  
12 information as the commission deems necessary to  
13 promote the purpose of this chapter. This enumeration  
14 of specific matters that may properly be made the  
15 subject of rules shall not be construed to limit the  
16 commission's broad general power to make all rules  
17 necessary to fully effectuate the purpose of this  
18 chapter;

19 (3) Enforce this chapter and rules adopted pursuant  
20 thereto;



- 1           (4) Suspend, fine, terminate, or revoke any license,  
2                    registration, or certificate for any cause prescribed  
3                    by this chapter, or for any violation of the rules,  
4                    and may [~~also~~] require additional education or  
5                    reexamination, and refuse to grant any license,  
6                    registration, or certificate for any cause that would  
7                    be a ground for suspension, fine, termination, or  
8                    revocation of a license, registration, or certificate;
- 9           (5) Report to the governor and [~~the~~] legislature relevant  
10                   information that shall include but not be limited to a  
11                   summary of the programs and financial information  
12                   about the trust funds, including balances and budgets,  
13                   through the director of commerce and consumer affairs  
14                   annually, before the convening of each regular  
15                   session, and at other times and in other manners as  
16                   the governor or the legislature may require concerning  
17                   its activities;
- 18           (6) Publish and distribute pamphlets and circulars,  
19                   produce seminars and workshops, hold meetings in all  
20                   counties, and require other education regarding any



1 information as is proper to further the accomplishment  
2 of the purpose of this chapter;

3 (7) Enter into contract or contracts with qualified  
4 persons to assist the commission in effectuating the  
5 purpose of this chapter; ~~and~~

6 (8) Develop a curriculum with regard to relevant  
7 condominium association documents, the provisions of  
8 chapter 514B, and leadership training to be made  
9 available to members of boards of directors of  
10 condominium associations; and

11 ~~[(8)]~~ (9) Establish standing committees to assist in  
12 effectuating this chapter and carry out its purpose,  
13 which shall meet not less often than ten times  
14 annually, and shall from time to time meet in each of  
15 the counties."

16 SECTION 3. The real estate commission shall submit a  
17 report of its progress on the development of curriculum to train  
18 members of boards of directors of condominium associations and  
19 submit recommendations, including any proposed legislation, to  
20 the legislature no later than twenty days prior to the convening  
21 of the regular session of 2024.



1 PART III

2 SECTION 4. Statutory material to be repealed is bracketed  
3 and stricken. New statutory material is underscored.

4 SECTION 5. This Act shall take effect on June 30, 3000.



S.B. NO. 729  
S.D. 1  
H.D. 2

**Report Title:**

Auditor; Sunrise Analysis; Real Estate Commission; Condominium Associations; Boards of Directors; Members

**Description:**

Requires the auditor to conduct a sunrise analysis on the proposed regulatory controls for members of condominium association boards of directors. Requires the real estate commission to develop a curriculum to be made available to board members of a condominium association. Effective 6/30/3000.  
(HD2)

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

