A BILL FOR AN ACT

RELATING TO THE REAL ESTATE COMMISSION.

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

1 SECTION 1. The legislature finds that the real estate 2 commission is responsible for, among other things, overseeing 3 condominium projects, condominium associations, managing agents, and condominium hotel operators. The real estate commission is 4 5 also responsible for administering the condominium education 6 trust fund for educational purposes, including education and 7 research in the field of condominium management. Presently, 8 there are approximately 1,668 condominium association 9 registrations and twenty-nine condominium hotel operator 10 registrations in the State. The legislature also finds that 11 more than half of all condominium buildings in the State were 12 built before 1980, with a significant number of them requiring 13 replacements, upgrades, and retrofits to comply with building 14 codes and maintain insurability. Because these projects are 15 costly and complicated, condominium associations have deferred 16 necessary maintenance and structural repairs over the past 17 several years and are becoming less insurable.

1 The legislature believes that, by adding experts in high 2 rise building design and maintenance to the real estate commission, such as licensed engineers and architects, the real 3 estate commission may be better able to address the issues that 4 5 condominiums are facing with respect to deferred maintenance, structural repairs, and insurability. 6 7 Accordingly, the purpose of this Act is to ensure that the 8 real estate commission is better able to address the current 9 issues among condominium properties in the State by: 10 Increasing the membership size of the real estate (1)11 commission from nine members to eleven members; and 12 Requiring at least two members of the real estate (2) 13 commission to be licensed professional engineers or 14 architects. 15 SECTION 2. Section 467-3, Hawaii Revised Statutes, is 16 amended to read as follows: 17 "§467-3 Commission, appointments, qualifications, tenure. 18 There shall be appointed a commission to be known as the real 19 estate commission, to consist of [nine] eleven members, at least four of whom shall be licensed real estate brokers who have been 20

engaged in business as licensed real estate brokers or

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- 1 salespersons for three years immediately preceding their
- 2 appointments[, each of whom]. At least two members shall be
- 3 licensed professional engineers or architects who have been
- 4 engaged in business as licensed professional engineers or
- 5 architects in the State for three years immediately preceding
- 6 their appointments. All members shall be a citizen of the
- 7 United States and shall have resided in the State for at least
- 8 three years preceding appointment, and one of whom shall be
- 9 designated by the appointing power as chairperson. Four members
- 10 shall be residents of the city and county of Honolulu, one shall
- 11 be a resident of the county of Hawaii, one shall be a resident
- 12 of the county of Maui, and one shall be a resident of the county
- 13 of Kauai and two members shall be public members.
- 14 Appointments shall be made for a term of four years,
- 15 commencing from the date of expiration of the last preceding
- 16 term and shall be made to expire on June 30. Appointments shall
- 17 be made so that at least one appointment shall be required each
- **18** year.
- 19 Any vacancy shall be filled by appointment for the
- 20 unexpired term."

- 1 SECTION 3. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 4. This Act shall take effect on July 1, 2050.

Report Title:

Real Estate Commission; Membership; Requirements; Professional Engineers; Architects

Description:

Requires at least two members of the Real Estate Commission to be licensed professional engineers or architects engaged in business in the State for three years immediately preceding the appointment. Effective 7/1/2050. (SD1)

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