THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

S.B. NO. 2297

JAN 2 1 2026

A BILL FOR AN ACT

RELATING TO COMMON INTEREST COMMUNITIES.

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

SECTION 1. Section 421I-1, Hawaii Revised Statutes, is amended to read as follows:

"**[~~[~~]§421I-1[~~]~~ ~~Cooperative housing corporation; defined.~~]** **Definitions.** As used in this chapter, unless [~~otherwise indicated by the context, "corporation"~~] the context otherwise requires:

"Community association manager" has the same meaning as defined in section 514B-3.

"Corporation" means a cooperative housing corporation that:

(1) Has one and only one class of stock outstanding;

(2) Allows each tenant shareholder to occupy a dwelling unit for dwelling purposes solely by reason of the tenant shareholder's ownership of stock in the corporation;

(3) Does not allow a shareholder to receive, either conditionally or unconditionally, any distributions from the corporation except when there is a complete

or partial liquidation of the corporation; provided that this paragraph does not apply to earnings and profits of the corporation; and

(4) Has eighty per cent or more of the gross income for the taxable year in which taxes are paid or incurred pursuant to 26 United States Code section 216(A) derived from tenant shareholders.

"Managing agent" has the same meaning as defined in section 514B-3."

SECTION 2. Section 421J-2, Hawaii Revised Statutes, is amended by adding two new definitions to be appropriately inserted and to read as follows:

""Community association manager" has the same meaning as defined in section 514B-3.

"Managing agent" has the same meaning as defined in section 514B-3."

SECTION 3. Section 514B-3, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read:

""Community association manager" means a person responsible for the contracted management and oversight of a community association, including a condominium or homeowners association."

2. By amending the definition of "managing agent" to read:

""Managing agent" means any [~~person~~] contracted company or community association manager retained, as an independent contractor, for the purpose of managing the operation of the property."

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 Statutory material to be repealed is bracketed and stricken.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

SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY: _____

S.B. NO. 2297

Report Title:
Community Association Managers; Managing Agents; Condominiums; Cooperative Housing Corporations; Homeowners Associations

Description:
Clarifies that a community association manager is an individual who is the managing agent responsible for the contracted management and oversight of a cooperative housing corporation, condominium association, or homeowners association. Amends the definition of "managing agent" to include a community association manager.

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