

ACT 320

A Bill for an Act Relating to Time Sharing Plans.

*Be It Enacted by the Legislature of the State of Hawaii:*

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

**“§514E- Time share owners association; budgets and reserves.** (a) For each fiscal year, the plan manager, or the board of the association if there is no plan manager, shall adopt an operating budget and distribute copies to all members of the association. The budget shall contain at least the following:

- (1) The estimated revenues and operating expenses of the association;
- (2) Information as to whether the budget has been prepared on a cash or accrual basis;
- (3) The total cash reserves of the association as of the date of the budget;
- (4) The estimated cash reserves the association will require to maintain the property;
- (5) A general explanation of how the estimated cash reserves are computed; and
- (6) The amount the association must collect for the year to fund the estimated cash reserves.

(b) The plan manager, or the board of the association if there is no plan manager, shall arrange for an annual independent audit of the association’s financial accounts conducted by a public accountant in accordance with generally accepted auditing standards. Upon request, a copy of the audit shall be provided to the director, to any member of the association, and any prospective purchaser. The audit report shall include such information as provided by rules adopted by the director pursuant to chapter 91.”

SECTION 2. Section 26H-4, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (c) to read as follows:

“(c) The following chapters and sections are hereby repealed effective December 31, 1993:

- (1) Chapter 452 (Board of Massage)
- (2) Chapter 453 (Board of Medical Examiners)
- (3) Chapter 460 (Board of Osteopathic Examiners)
- (4) Chapter 461J (Board of Physical Therapy)
- (5) Chapter 463E (Podiatry)
- (6) [Chapter 514E (Time Sharing Plans)

(7)] Sections 804-61 and 804-62”

2. By amending subsection (i) to read as follows:

1999: “(i) The following chapters are hereby repealed effective December 31,

- (1) Chapter 436E (Board of Acupuncture)
- (2) Chapter 442 (Board of Chiropractic Examiners)
- (3) Chapter 444 (Contractors License Board)
- (4) Chapter 448E (Board of Electricians and Plumbers)
- (5) Chapter 464 (Professional Engineers, Architects, Surveyors and Landscape Architects)
- (6) Chapter 465 (Board of Psychology)
- (7) Chapter 468E (Speech Pathology and Audiology)
- (8) Chapter 514E (Time Sharing Plans)”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>1</sup>

SECTION 4. This Act shall take effect upon its approval.

(Approved June 22, 1993.)

**Note**

1. Edited pursuant to HRS §23G-16.5.