

ACT 213

H.B. NO. 2222

A Bill for an Act Relating to Condominiums.

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

SECTION 1. Condominium property regimes currently play a major role in Hawaii's housing and will play an even larger role in the next century. Act 180, Session Laws of Hawaii 1961, was the initial law relating to condominium property regimes. The condominium property regimes law, chapter 514A, Hawaii Revised Statutes, is now approximately thirty-nine years old. The present law is the result of numerous amendments enacted over the years made in a piecemeal fashion and with little regard to the law as a whole.

Those who live and work with the law report that the condominium property regimes law is unorganized, inconsistent, and obsolete in some areas, and micro-manages condominium associations. The law is also overly regulatory, hinders development, and ignores technological changes and the present day development process. However, the desire to modernize the law must be balanced by the need to protect the public and to allow the condominium community to govern itself.

Accordingly, the purpose of this Act is to update, clarify, organize, deregulate, and provide for consistency and ease of use of the condominium property regimes law. This Act appropriates funds for a review of the condominium property regimes law and related laws and issues.

SECTION 2. The real estate commission shall conduct a review of Hawaii's condominium property regimes law, make findings and formulate recommendations for recodification of the law, and develop draft legislation consistent with its review and recommendations. The review shall include an examination of the condominium and common interest laws of other states, the Uniform Common Interest Act, and other related laws and issues, such as those related to zoning, use of agricultural lands for condominiums, and subdivision of land. In addition, the commission shall:

- (1) Consult with public and private organizations and individuals whose duties and interests are affected by the condominium property regimes

- law, including the department of commerce and consumer affairs, and other state, county, and private agencies and individuals; and
- (2) Conduct a public hearing for the purpose of receiving comments and input on the condominium property regimes law and related laws and issues.

SECTION 3. The funds appropriated by this Act shall be expended to establish a temporary full-time condominium specialist position, exempt from chapters 76 and 77, Hawaii Revised Statutes, that shall be filled by a licensed attorney. The condominium specialist shall have legal, professional, administrative, and analytical work experience, preferably in condominium law, statutory drafting, and dealing effectively with diverse organizations, and shall have demonstrated ability to plan and coordinate activities and deal effectively with others. The funds appropriated by this Act shall also be expended for administration, equipment, and supplies related to the review.

SECTION 4. The real estate commission shall submit a progress report, including any draft legislation to the legislature no later than twenty days prior to the convening of the regular sessions of 2001 and 2002. The real estate commission shall submit a final report of the review, including findings and recommendations of the commission, and draft legislation to the legislature no later than twenty days prior to the convening of the regular session of 2003.

SECTION 5. There is appropriated out of the condominium management education fund the sum of \$85,000 or so much thereof as may be necessary for fiscal year 2000-2001 to conduct a comprehensive review of the condominium property regimes law, including the establishment of one full-time temporary condominium specialist position in the department of commerce and consumer affairs, and other current expenses.

SECTION 6. The sum appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 7. This Act shall take effect on July 1, 2000.

(Approved June 14, 2000.)