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# A BILL FOR AN ACT

RELATING TO RESIDENTIAL REAL PROPERTY.

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

1 SECTION 1. Section 421J-7, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) Association documents, the most current financial  
4 statement of the association, and the minutes of the most recent  
5 meeting of the board of directors [~~+~~], other than minutes of  
6 executive sessions [~~+~~], shall be made available for examination  
7 by any member [~~at no cost, on twenty four hour loan or during~~  
8 ~~reasonable hours.~~]:

9 (1) During normal business hours;

10 (2) In hard copy form for a reasonable fee that shall not  
11 exceed the greater of 20 cents per page or the rate  
12 charged by the Internal Revenue Service for copying  
13 charges for Freedom of Information Act requests by  
14 commercial requesters; and

15 (3) In electronic form through a website maintained by the  
16 property management company and accessible to the  
17 members."



1 SECTION 2. Section 514A-84.5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§514A-84.5 Availability of project documents. (a) An  
4 accurate copy of the declaration of condominium property regime,  
5 the bylaws of the association of apartment owners, the house  
6 rules, if any, the master lease, if any, a sample original  
7 conveyance document, all public reports and any amendments  
8 thereto, and the annual operating budget shall be kept at the  
9 managing agent's office.

10 (b) The managing agent shall ~~[provide copies of these]~~ make  
11 the documents listed in subsection (a) available to owners,  
12 prospective purchasers, and their ~~[prospective]~~ respective agents  
13 ~~[during normal business hours, upon payment to the managing agent~~  
14 ~~of a reasonable charge to defray any administrative or duplicating~~  
15 ~~costs. In the event that]:~~

- 16 (1) For review during normal business hours;  
17 (2) In hard copy form for a reasonable fee that shall not  
18 exceed the greater of 20 cents per page or the rate  
19 charged by the Internal Revenue Service for copying  
20 charges for Freedom of Information Act requests by  
21 commercial requesters; and



1        (3) Electronically through a website maintained by the  
2                    property management company and accessible to the unit  
3                    owners.

4        (c) If the project is not managed by a managing agent, the  
5 ~~[foregoing]~~ requirements of subsection (b) shall be undertaken by  
6 [a] the person or entity ~~[, if any, employed by the association of~~  
7 ~~apartment owners,~~] to whom the association of apartment owners has  
8 delegated this function ~~[is delegated]."~~

9        SECTION 3. Section 514B-152, Hawaii Revised Statutes, is  
10 amended to read as follows:

11        "[+] §514B-152 [+] **Association records; generally.** (a) The  
12 association shall keep financial and other records sufficiently  
13 detailed to enable the association to comply with requests for  
14 information and disclosures related to resale of units. Except  
15 as otherwise provided by law, all financial and other records  
16 shall be made reasonably available for examination by any unit  
17 owner and the owner's authorized agents. Association records  
18 shall be stored on the island on which the association's project  
19 is located; provided that if original records, including but not  
20 limited to invoices, are required to be sent off-island, copies  
21 of the records shall be maintained on the island on which the  
22 association's project is located.



1        (b) The association shall make the financial and other  
2 records of the association available to owners and their  
3 respective agents:

4        (1) For review during normal business hours;

5        (2) In hard copy form for a reasonable fee that shall not  
6 exceed the greater of 20 cents per page or the rate  
7 charged by the Internal Revenue Service for copying  
8 charges for Freedom of Information Act requests by  
9 commercial requesters; and

10       (3) In electronic form through a website maintained by the  
11 association and accessible to the owners."

12       SECTION 4. Section 514B-153, Hawaii Revised Statutes, is  
13 amended to read as follows:

14       "**§514B-153 Association records; records to be maintained.**

15       (a) An accurate copy of the declaration, bylaws, house rules,  
16 if any, master lease, if any, a sample original conveyance  
17 document, all public reports and any amendments thereto, shall  
18 be kept at the managing agent's office. The managing agent  
19 shall make the documents listed in this subsection available to  
20 owners and their respective agents:

21       (1) For review during normal business hours;



1           (2) In hard copy form for a reasonable fee that shall not  
2           exceed the greater of 20 cents per page or the rate  
3           charged by the Internal Revenue Service for copying  
4           charges for Freedom of Information Act requests by  
5           commercial requesters; and

6           (3) In electronic form through a website maintained by the  
7           property management company and accessible to the  
8           owners.

9           (b) The managing agent or board shall keep, in  
10          chronological order, detailed, accurate records [~~in~~  
11          ~~chronological order,~~] of the receipts and expenditures affecting  
12          the common elements, specifying and itemizing the maintenance  
13          and repair expenses of the common elements and any other  
14          expenses incurred. The managing agent or board shall also keep  
15          monthly statements indicating the total current delinquent  
16          dollar amount of any unpaid assessments for common expenses.

17          (c) Subject to section 514B-152, all records [~~and the~~],  
18          vouchers authorizing [~~the~~] payments, and statements shall be  
19          kept and maintained at the address of the project, or elsewhere  
20          within the State as determined by the board.

21          (d) The developer or affiliate of the developer, board,  
22          and managing agent shall ensure that there is a written contract



1 for managing the operation of the property [~~expressing~~] that  
2 expresses the agreements of all parties [~~7~~] on matters including  
3 but not limited to financial and accounting obligations,  
4 services provided, and [~~any~~] compensation arrangements,  
5 including any subsequent amendments. Copies of the executed  
6 contract and any amendments shall be provided to all parties to  
7 the contract.

8 (e) The managing agent, resident manager, or board shall  
9 keep an accurate and current list of members of the association  
10 and their current addresses, and the names and addresses of the  
11 vendees under an agreement of sale, if any. The list shall be  
12 maintained at a place designated by the board [~~7~~] and a copy  
13 shall be available, at cost, to any member of the association as  
14 provided in the declaration or bylaws or rules and regulations  
15 or, in any case, to any member who furnishes to the managing  
16 agent [~~or~~], resident manager, or the board a duly executed and  
17 acknowledged affidavit stating that the [~~list~~] list will:

18 (1) [~~Will be~~] Be used by the owner personally and only for  
19 the purpose of soliciting votes or proxies [~~7~~] or for  
20 providing information to other owners with respect to  
21 association matters; and



1 (2) [~~Shall not~~] Not be used by the owner or furnished to  
2 anyone else for any other purpose.

3 A board may prohibit commercial solicitations.

4 (f) The managing agent or resident manager shall not use  
5 or distribute any membership list, including for commercial or  
6 political purposes, without the prior written consent of the  
7 board.

8 (g) All membership lists are the property of the  
9 association and any membership lists contained in the managing  
10 agent's or resident manager's records are subject to subsections  
11 (e) and (f), and this subsection. A managing agent, resident  
12 manager, or board [~~may~~] shall not use the information contained  
13 in the lists to create any separate list for the purpose of  
14 evading the requirements of this section.

15 (h) Subsections (f) and (g) shall not apply to [~~any~~] time  
16 share [~~plan~~] plans regulated under chapter 514E.

17 (i) If a project is not managed by a managing agent, the  
18 requirements of this section shall be undertaken by the person or  
19 entity to whom the association of apartment owners has delegated  
20 this function."

21 SECTION 5. Section 514B-154, Hawaii Revised Statutes, is  
22 amended by amending subsection (d) to read as follows:



1           "(d) The managing agent shall provide copies of  
2 association records maintained pursuant to this section [~~and~~  
3 ~~sections 514B-152 and 514B-153~~] to owners, prospective  
4 purchasers, and their [~~prospective~~] respective agents [~~during~~  
5 ~~normal business hours, upon payment to the managing agent of a~~  
6 ~~reasonable charge to defray any administrative or duplicating~~  
7 ~~costs.~~];

8           (1) For review during normal business hours; and

9           (2) In hard copy form for a reasonable fee that shall not  
10 exceed the greater of 20 cents per page or the rate  
11 charged by the Internal Revenue Service for copying  
12 charges for Freedom of Information Act requests by  
13 commercial requesters.

14 If the project is not managed by a managing agent, the  
15 [~~foregoing~~] requirements of this section shall be undertaken by  
16 [~~a~~] the person or entity [~~, if any, employed by the association,~~]  
17 to whom this function is delegated [~~-~~] by the association."

18           SECTION 6. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20           SECTION 7. This Act shall take effect on July 1, 2050.





**Report Title:**

Condominiums; Residential Real Property; Planned Community

**Description:**

Requires that condominium property managers, associations of apartment owners, and planned community associations make association documents available to owners, including through an association or property management company's website, and for reasonable costs. Effective July 1, 2050. (SB714 HD1)

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

