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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, if available, and  
17 accessible to the members; provided that financial



1           statements of the association shall not be subject to  
2           this paragraph."

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

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

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

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

1 charges for Freedom of Information Act requests by  
2 commercial requesters; and

3 (3) Electronically through a website maintained by the  
4 property management company, if available, and  
5 accessible to the unit owners; provided that the  
6 annual operating budget shall not be subject to this  
7 paragraph.

8 (c) [In the event that] If the project is not managed by a  
9 managing agent, the [foregoing] requirements of subsection (b)  
10 shall be undertaken by [a] the person or entity [if any, employed  
11 by the association of apartment owners,] to whom the association  
12 of apartment owners has delegated this function [is delegated]."

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

15 "~~[+]~~§514B-152~~[+]~~ **Association records; generally.** (a) The  
16 association shall keep financial and other records sufficiently  
17 detailed to enable the association to comply with requests for  
18 information and disclosures related to resale of units. Except  
19 as otherwise provided by law, all financial and other records  
20 shall be made reasonably available for examination by any unit  
21 owner and the owner's authorized agents. Association records  
22 shall be stored on the island on which the association's project



1 is located; provided that if original records, including but not  
2 limited to invoices, are required to be sent off-island, copies  
3 of the records shall be maintained on the island on which the  
4 association's project is located.

5 (b) The association shall make the financial and other  
6 records of the association available to owners and their  
7 respective agents:

- 8 (1) For review during normal business hours;
- 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; and
- 14 (3) In electronic form through a website maintained by the  
15 association, if available, and accessible to the  
16 owners; provided that financial records shall not be  
17 subject to this paragraph."

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

20 **"§514B-153 Association records; records to be maintained.**

21 (a) An accurate copy of the declaration, bylaws, house rules,  
22 if any, master lease, if any, a sample original conveyance



1 document, all public reports and any amendments thereto, shall  
2 be kept at the managing agent's office. The managing agent  
3 shall make the documents listed in this subsection available to  
4 owners and their respective agents:

- 5 (1) For review during normal business hours;
- 6 (2) In hard copy form for a reasonable fee that shall not  
7 exceed the greater of 20 cents per page or the rate  
8 charged by the Internal Revenue Service for copying  
9 charges for Freedom of Information Act requests by  
10 commercial requesters; and
- 11 (3) In electronic form through a website maintained by the  
12 property management company, if available, and  
13 accessible to the owners; provided that financial  
14 records maintained pursuant to this section shall not  
15 be subject to this paragraph.

16 (b) The managing agent or board shall keep, in  
17 chronological order, detailed, accurate records [~~in~~  
18 ~~chronological order,~~] of the receipts and expenditures affecting  
19 the common elements, specifying and itemizing the maintenance  
20 and repair expenses of the common elements and any other  
21 expenses incurred. The managing agent or board shall also keep



1 monthly statements indicating the total current delinquent  
2 dollar amount of any unpaid assessments for common expenses.

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

7 (d) The developer or affiliate of the developer, board,  
8 and managing agent shall ensure that there is a written contract  
9 for managing the operation of the property [~~, expressing~~] that  
10 expresses the agreements of all parties [~~]~~ on matters including  
11 but not limited to financial and accounting obligations,  
12 services provided, and [~~any~~] compensation arrangements,  
13 including any subsequent amendments. Copies of the executed  
14 contract and any amendments shall be provided to all parties to  
15 the contract.

16 (e) The managing agent, resident manager, or board shall  
17 keep an accurate and current list of members of the association  
18 and their current addresses, and the names and addresses of the  
19 vendees under an agreement of sale, if any. The list shall be  
20 maintained at a place designated by the board [~~]~~ and a copy  
21 shall be available, at cost, to any member of the association as  
22 provided in the declaration or bylaws or rules and regulations



1 or, in any case, to any member who furnishes to the managing  
2 agent ~~[or]~~, resident manager, or the board a duly executed and  
3 acknowledged affidavit stating that the ~~[list]~~ list will:

- 4 (1) ~~[Will be]~~ Be used by the owner personally and only for  
5 the purpose of soliciting votes or proxies~~[,]~~ or for  
6 providing information to other owners with respect to  
7 association matters; and  
8 (2) ~~[Shall not]~~ Not be used by the owner or furnished to  
9 anyone else for any other purpose.

10 A board may prohibit commercial solicitations.

11 (f) The managing agent or resident manager shall not use  
12 or distribute any membership list, including for commercial or  
13 political purposes, without the prior written consent of the  
14 board.

15 (g) All membership lists are the property of the  
16 association and any membership lists contained in the managing  
17 agent's or resident manager's records are subject to subsections  
18 (e) and (f), and this subsection. A managing agent, resident  
19 manager, or board ~~[may]~~ shall not use the information contained  
20 in the lists to create any separate list for the purpose of  
21 evading the requirements of this section.



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

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

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

9 "(d) The managing agent shall provide copies of  
10 association records maintained pursuant to this section [~~and~~  
11 ~~sections 514B-152 and 514B-153]~~ to owners, prospective  
12 purchasers, and their [~~prospective~~] respective agents [~~during~~  
13 ~~normal business hours, upon payment to the managing agent of a~~  
14 ~~reasonable charge to defray any administrative or duplicating~~  
15 ~~costs.]:~~

- 16 (1) For review during normal business hours; and  
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.





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

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

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

8



**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 under reasonable terms, including through an association or property management company's website, and for reasonable costs. Effective 7/1/2050. (SD1)

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

