
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. The legislature finds that mediation is an
2 informal, inexpensive, and confidential process for resolving
3 disputes quickly. Mediation may be particularly advantageous in
4 a condominium setting because of the potential to preserve or to
5 restore harmony within a condominium community.

6 The legislature further finds that fees paid into the
7 condominium education trust fund come entirely from condominium
8 owners. Dedicating a portion of the fund to support the
9 mediation of condominium related disputes will benefit
10 condominium owners and associations.

11 The purpose of this Act is to specify that a percentage of
12 fees paid into the condominium education trust fund shall be
13 used to support mediation of condominium related disputes.

14 SECTION 2. Section 514B-71, Hawaii Revised Statutes, is
15 amended to read as follows:

16 " ~~[+]~~§514B-71~~[+]~~ **Condominium education trust fund.** (a)

17 The commission shall establish a condominium education trust
18 fund that the commission ~~[may]~~:



1 (1) May use for educational purposes [~~— Educational~~
2 ~~purposes~~], which shall include financing or promoting:

3 [~~(1)~~] (A) Education and research in the field of
4 condominium management, condominium project
5 registration, and real estate, for the benefit of
6 the public and those required to be registered
7 under this chapter;

8 [~~(2)~~] (B) The improvement and more efficient administration
9 of associations; and

10 [~~(3)~~] (C) Expeditious and inexpensive procedures for
11 resolving association disputes [~~—~~]; and

12 (2) Shall use to support mediation of condominium-related
13 disputes; provided that an amount equal to \$
14 multiplied by the number of registered condominium
15 units in Hawaii per year shall be allocated annually
16 for the payment of mediation services for the benefit
17 of condominium owners and associations in condominium-
18 related disputes.

19 (b) The commission [~~may~~] shall use any and all moneys in
20 the condominium education trust fund for purposes consistent
21 with subsection (a)."



1 SECTION 3. Section 514B-72, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Each project or association with more than five
4 units, including any project or association with more than five
5 units subject to chapter 514A, shall pay to the department of
6 commerce and consumer affairs a condominium education trust fund
7 fee within one year after the recordation of the purchase of the
8 first unit or within thirty days of the association's first
9 meeting, and thereafter, on or before June 30 of every odd-
10 numbered year [~~, as prescribed by rules adopted pursuant to~~
11 ~~chapter 91~~]. The fee shall be an amount equal to \$ _____ per
12 registered condominium unit to support the mediation of
13 condominium-related disputes, pursuant to section 514B-71(a);
14 provided that the fee may be increased by rules adopted pursuant
15 to chapter 91."

16 SECTION 4. Until the real estate commission adopts rules
17 pursuant to chapter 91, Hawaii Revised Statutes, establishing
18 the amount of the condominium education trust fund fee pursuant
19 to section 514B-72, Hawaii Revised Statutes, the amount of the
20 condominium education trust fund fee shall be \$ _____ per
21 registered condominium unit for each project or association that
22 is subject to the fee.



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

3 SECTION 6. This Act shall take effect on July 1, 2013.



Report Title:

Condominiums; Condominium Education Trust Fund

Description:

Specifies that a percentage of fees paid into the condominium education trust fund shall be used to support mediation of condominium related disputes. Effective July 1, 2013. (HB24 HD1)

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