

JAN 19 2024

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# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 PART I

2 SECTION 1. The legislature finds that there is a need for  
3 greater oversight of condominium landlords and condominium  
4 association boards. The boards can currently levy fines,  
5 initiate foreclosures, delay renovations, and take other actions  
6 against condominium owners with little, if any, accountability.  
7 Condominium renters may also be vulnerable to landlords who  
8 violate the State's residential landlord-tenant code. Renters  
9 and owners who have been subjected to unfair or unlawful  
10 treatment may find themselves unable to protect their rights  
11 without initiating expensive lawsuits.

12 Accordingly, the purpose of this Act is to provide greater  
13 oversight of condominium association boards and more legal  
14 protections for condominium renters and owners by requiring  
15 that:

16 (1) Condominium renters who prevail in a lawsuit for a  
17 violation of the residential landlord-tenant code be



1 awarded reasonable attorney's fees, costs, and  
2 threefold damages; and  
3 (2) The real estate commission establish a condominium  
4 association board oversight task force to ensure  
5 transparency and consistency in the management of  
6 condominiums.

7 PART II

8 SECTION 2. Chapter 521, Hawaii Revised Statutes, is  
9 amended by adding a new section to part VI to be appropriately  
10 designated and to read as follows:

11 "§521- Amount of recovery. Except as otherwise  
12 provided in this chapter and notwithstanding any law to the  
13 contrary, any tenant that is directly affected by a violation of  
14 this chapter may sue for damages, and if the judgment is for the  
15 plaintiff, the plaintiff shall be awarded:

- 16 (1) A sum not less than \$1,000 or threefold the  
17 plaintiff's sustained damages, whichever is greater;  
18 (2) Reasonable attorney's fees; and  
19 (3) The costs of the suit."



1 PART III

2 SECTION 3. (a) The real estate commission shall establish  
3 a condominium association board oversight task force to ensure  
4 transparency and consistency in the governing of condominium  
5 associations established pursuant to chapter 514B, Hawaii  
6 Revised Statutes.

7 (b) Members of the condominium association board oversight  
8 task force shall be selected by the director of commerce and  
9 consumer affairs, and the task force chair and vice chair shall  
10 be selected by a majority of task force members.

11 (c) The condominium association board oversight task force  
12 shall consider whether:

13 (1) Additional regulations are needed for condominium  
14 association boards;

15 (2) Greater legal protections are needed for condominium  
16 owners;

17 (3) Additional grievance processes are needed to provide  
18 recourse for condominium renters and owners, beyond  
19 the mediation and arbitration processes established in  
20 part VI, subpart D, of chapter 514B, Hawaii Revised  
21 Statutes; and



1 (4) Specialized training is needed for members of the  
2 governing board established in section 514B-106,  
3 Hawaii Revised Statutes.

4 (d) The condominium association board oversight task force  
5 may seek public input on these issues, or any other issues  
6 impacting the governance of condominiums.

7 (e) The real estate commission shall submit a report of  
8 the task force's findings and recommendations, including any  
9 proposed legislation, to the legislature no later than twenty  
10 days prior to the convening of the regular session of 2025.

11 (f) The condominium association board oversight task force  
12 shall cease to exist on .

13 PART IV

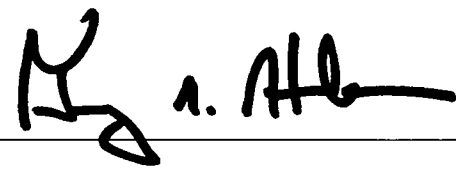
14 SECTION 4. This Act does not affect rights and duties that  
15 matured, penalties that were incurred, and proceedings that were  
16 begun before its effective date.

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

19 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

  
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# S.B. NO. 2336

**Report Title:**

REC; Residential Landlord-Tenant Code; Damages; Attorney's Fees; Condominium Association Board Oversight Task Force; Report

**Description:**

Requires that condominium renters who prevail in a lawsuit for a violation of the Residential Landlord-Tenant Code be awarded reasonable attorney's fees and costs and threefold damages. Requires the Real Estate Commission to establish a Condominium Association Board Oversight Task Force to ensure transparency and consistency in the management of condominiums. Requires a report to the Legislature. Dissolves the Task Force on an unspecified date.

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

