

JAN 19 2024

A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. The purpose of this Act is to implement
2 recommendations submitted by the condominium property regime
3 task force established pursuant to Act 289, Session Laws of
4 Hawaii 2023, which met on September 11, 2023; October 27, 2023;
5 November 30, 2023; and December 14, 2023, to develop
6 recommendations as part of its interim report to the Hawaii
7 state legislature before the start of the 2024 regular session.
8 Task force members sought and received information from the
9 department of commerce and consumer affairs and several members
10 of the public submitted written testimony and presented oral
11 comments during hybrid remote and in-person meetings held by the
12 task force. Links to the task force meetings and written
13 materials are posted on the department of commerce and consumer
14 affairs website and are linked to the state capitol website.

15 SECTION 2. (a) The legislative reference bureau shall
16 study and submit a report on the approaches employed by certain
17 other states regarding the following condominium subjects:



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- 1 (1) A condominium ombudsman or similar position to
- 2 specifically oversee condominiums;
- 3 (2) Required licenses for individuals involved in the
- 4 management of condominiums;
- 5 (3) The availability of dedicated alternate dispute
- 6 resolution or similar programs that are specifically
- 7 for the prevention or resolution of condominium-
- 8 related disputes and are separate from alternate
- 9 dispute resolution programs available for other
- 10 disputes;
- 11 (4) Governmental regulation and enforcement of condominium
- 12 operations and governance that are separate from an
- 13 ombudsman referenced in paragraph (1);
- 14 (5) Requirements for owner education at the point of sale
- 15 of a unit; and
- 16 (6) Requirements for owner access to condominium
- 17 documents.
- 18 (b) To the extent feasible, each subject shall include:
- 19 (1) Descriptive information detailing the approach of each
- 20 jurisdiction;



1 (2) Identified strengths and weaknesses of each particular
2 approach; and

3 (3) Identified best practices in the jurisdiction.

4 (c) The jurisdictions to be studied shall be:

5 (1) California;

6 (2) Delaware;

7 (3) Florida;

8 (4) Massachusetts;

9 (5) Nevada; and

10 (6) Any other jurisdiction deemed relevant by the
11 legislative reference bureau.

12 (d) The legislative reference bureau shall submit the
13 report to the legislature no later than twenty days prior to the
14 convening of the regular session of 2026.

15 SECTION 3. In accordance with section 9 of article VII, of
16 the Constitution of the State of Hawaii and sections 37-91 and
17 37-93, Hawaii Revised Statutes, the legislature has determined
18 that the appropriation contained in this Act will cause the
19 state general fund expenditure ceiling for fiscal year 2024-2025
20 to be exceeded by \$, or per cent. The reasons
21 for exceeding the general fund expenditure ceiling are that the



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1 appropriation made in this Act is necessary to serve the public
2 interest and to meet the needs provided for by this Act.

3 SECTION 4. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so much
5 thereof as may be necessary for fiscal year 2024-2025 for the
6 legislative reference bureau to conduct a study of condominium
7 subjects in other states.

8 The sum appropriated shall be expended by the legislative
9 reference bureau for the purposes of this Act.

10 SECTION 5. The legislative reference bureau may contract
11 the services of a consultant with the funds appropriated in
12 section 3 of this Act. The contracting of services under this
13 Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

14 SECTION 6. This Act shall take effect on July 1, 2024.

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INTRODUCED BY: Carol Furumasa



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Report Title:

Condominium; Study; LRB; Report; Appropriation; General Fund
Expenditure Ceiling Exceeded

Description:

Requires the Legislative Reference Bureau to conduct a study on how certain other states approach the following subjects as they relate to condominiums: an ombudsman, licenses for management, alternate dispute resolution, governmental regulation, owner education, and owner access to documents. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

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

