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# 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 the condominium  
2 property regime task force was established pursuant to Act 189,  
3 Session Laws of Hawaii 2023, which met on September 11, 2023;  
4 October 27, 2023; November 30, 2023; and December 14, 2023, to  
5 develop recommendations as part of its interim report to the  
6 legislature before the start of the regular session of 2024.  
7 Task force members sought and received information from the  
8 department of commerce and consumer affairs and several members  
9 of the public submitted written testimony and presented oral  
10 comments during hybrid remote and in-person meetings held by the  
11 task force. Links to the task force meetings and written  
12 materials have been made available on the department of commerce  
13 and consumer affairs' website and the legislature's website.  
14 The interim report requested that the legislative reference  
15 bureau study and report to the legislature on certain subjects  
16 concerning condominiums to enable the task force to better  
17 recommend legislation on an informed and objective basis.



1       Accordingly, the purpose of this Act is to:

2       (1)   Require the legislative reference bureau to conduct a  
3           study on how certain other states approach certain  
4           subjects as they relate to condominiums; and

5       (2)   Make an appropriation.

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

9       (1)   A condominium ombudsman or similar position to  
10           specifically oversee condominiums;

11       (2)   Required licenses for individuals involved in the  
12           management of condominiums;

13       (3)   The availability of dedicated alternative dispute  
14           resolution or similar programs that are specifically  
15           for the prevention or resolution of condominium-  
16           related disputes and are separate from alternative  
17           dispute resolution programs available for other  
18           disputes;

19       (4)   Governmental regulation and enforcement of condominium  
20           operations and governance that are separate from an  
21           ombudsman referenced in paragraph (1);



- 1 (5) Requirements for owner education at the point of sale  
2 of a unit; and
- 3 (6) Requirements for owner access to condominium  
4 documents.
- 5 (b) To the extent feasible, each subject shall include:
- 6 (1) Descriptive information detailing the approach of each  
7 jurisdiction;
- 8 (2) Identified strengths and weaknesses of each particular  
9 approach; and
- 10 (3) Identified best practices in the jurisdiction.
- 11 (c) The jurisdictions to be studied shall be:
- 12 (1) California;
- 13 (2) Delaware;
- 14 (3) Florida;
- 15 (4) Massachusetts;
- 16 (5) Nevada; and
- 17 (6) Any other jurisdiction deemed relevant by the  
18 legislative reference bureau.
- 19 (d) The legislative reference bureau shall submit the  
20 report to the legislature no later than twenty days prior to the  
21 convening of the regular session of 2026.



1 SECTION 3. In accordance with section 9 of article VII, of  
 2 the Constitution of the State of Hawaii and sections 37-91 and  
 3 37-93, Hawaii Revised Statutes, the legislature has determined  
 4 that the appropriation contained in this Act will cause the  
 5 state general fund expenditure ceiling for fiscal year 2024-2025  
 6 to be exceeded by \$ , or per cent. The reasons  
 7 for exceeding the general fund expenditure ceiling are that the  
 8 appropriation made in this Act is necessary to serve the public  
 9 interest and to meet the needs provided for by this Act.

10 SECTION 4. There is appropriated out of the general  
 11 revenues of the State of Hawaii the sum of \$ or so much  
 12 thereof as may be necessary for fiscal year 2024-2025 for the  
 13 legislative reference bureau to conduct a study of condominium  
 14 subjects in other states as specified in section 2 of this Act.

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

17 SECTION 5. The legislative reference bureau may contract  
 18 the services of a consultant with the funds appropriated in  
 19 section 4 of this Act. The contracting of services under this  
 20 Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

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



**Report Title:**

LRB; Condominiums; Study; Report; Appropriation; Expenditure Ceiling

**Description:**

Requires the Legislative Reference Bureau to conduct a study on how certain other states approach the following subjects as they relate to condominiums: ombudsman programs, licensing for management, alternative dispute resolution, governmental regulation, owner education, and owner access to documents. Makes an appropriation. Declares that the general fund expenditure ceiling is exceeded. (SD1)

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

