
HOUSE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A SUNRISE ANALYSIS OF
CONDOMINIUM ASSOCIATION MANAGERS.

1 WHEREAS, the Condominium Property Act, Chapter 514B, Hawaii
2 Revised Statutes, authorizes a form of real estate ownership in
3 which individual owners hold title to a specific unit and have
4 an undivided interest as a tenant-in-common with other owners in
5 common elements, such as the exterior of the buildings, grounds,
6 amenities, internal roads, and infrastructure; and
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8 WHEREAS, the Condominium Property Act fully authorizes
9 condominiums to be self-governed by their respective association
10 of unit owners, which is headed by an elected board of
11 directors; and
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13 WHEREAS, in the State as of 2021, there were an estimated
14 1,826 condominium associations representing 173,036 units, which
15 serve as dwellings, either as a primary residence or otherwise,
16 to approximately 360,000 people; and
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18 WHEREAS, to assist in the management of the properties,
19 condominium associations typically contract with third-party
20 condominium managing agents to perform certain tasks for the
21 association, including overseeing repairs and projects, finances
22 and accounting, insurance and registration renewals, and other
23 tasks pertaining to the management of the property; and
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25 WHEREAS, condominium managing agents are required to be
26 licensed real estate brokers or authorized trust companies under
27 the Condominium Property Act, and they must maintain a fidelity
28 bond based on the number of units managed of no less than
29 \$20,000 and no more than \$500,000; and
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31 WHEREAS, while many condominiums contract with condominium
32 association managers for the management of the property, there
33 is no requirement that the condominium association managers



1 possess knowledge of the laws and rules governing condominium
2 associations; and

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4 WHEREAS, there have been reports of condominium association
5 managers stifling board members' ability to assist in the
6 management of the property and to address concerns of the
7 residents to whom the board members serve and reports of
8 condominium association managers disregarding requests by board
9 members; and

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11 WHEREAS, H.B. No. 1312, Regular Session of 2025, proposed
12 the establishment of a regulatory framework requiring the
13 certification of condominium association managers by the Real
14 Estate Commission of the Department of Commerce and Consumer
15 Affairs; and

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17 WHEREAS, section 26H-6, Hawaii Revised Statutes, of the
18 Hawaii Regulatory Licensing Reform Act requires new measures,
19 subjecting unregulated professions and vocations to licensing or
20 other regulatory controls, to be referred to the Auditor for
21 analysis; now, therefore,

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23 BE IT RESOLVED by the House of Representatives of the
24 Thirty-third Legislature of the State of Hawaii, Regular Session
25 of 2025, that the Auditor is requested to conduct a sunrise
26 analysis of condominium association managers as proposed by H.B.
27 No. 1312, Regular Session of 2025; and

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29 BE IT FURTHER RESOLVED that the Auditor is requested to
30 submit a report of its findings and recommendations, including
31 any proposed legislation, to the Legislature no later than
32 twenty days prior to the convening of the Regular Session of
33 2026; and

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35 BE IT FURTHER RESOLVED that a certified copy of this
36 Resolution be transmitted to the Auditor.

