

A Bill for an Act Relating to the Real Estate Recovery Fund.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to simplify the procedures for the settlement of claims against the real estate recovery fund established to protect persons aggrieved by acts of licensed real estate brokers and real estate salespersons.

SECTION 2. Section 467-21, Hawaii Revised Statutes, is amended to read as follows:

“§467-21 The real estate commission has standing in court. When the real estate commission receives notice, as provided in section 467-18(a), the commission may enter an appearance, file an answer, appear at the court hearing, defend the action, or take whatever other action it deems appropriate on behalf and in the name of the defendant, and take recourse through any appropriate method of review on behalf of, and in the name of, the defendant. The commission or its legal representative shall be served with all pleadings in an action which may result in a recovery from the real estate recovery fund.

Settlement of any claim against the real estate recovery fund may be made only with the [unanimous] agreement of a majority of the commission[, director of commerce and consumer affairs, and attorney general] that settlement is in the best interest of the real estate recovery fund.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 18, 1984.)