

ACT 223

H.B. NO. 16

A Bill for an Act Relating to Real Estate Brokers and Salespersons.

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

SECTION 1. Chapter 514E, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§514E- Time share interest owner referrals. (a) An owner of an interest in a time share plan duly registered under this chapter who is not licensed under chapter 467 and provides the name and address of a prospective purchaser or otherwise refers a prospective purchaser of an interest in the same time share plan to a developer, sales agent, or resale agent of the time share plan shall be exempt from licensing requirements under chapter 467; provided that:

- (1) Any fee paid to the owner shall be in the form of a credit or other nonmonetary compensation and shall not exceed \$1,000 per project during any twelve-month calendar period;
- (2) The owner shall be limited to providing the name and address of the prospective purchaser and the owner shall not advertise or promote the time share plan or the referral provided to developers, sales agents, or resale agents under this section; and
- (3) The developer, sales agent, or resale agent shall provide the owner who received a referral fee with a written receipt that identifies and provides the value of the compensation given.

(b) Nothing in this chapter or in chapter 467, including section 467-14(14), shall be construed to prohibit or prevent a developer, sales agent, or resale agent from entering into a transaction with a time share interest owner pursuant to this section.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval.

(Approved June 13, 2001.)

Note

1. Edited pursuant to HRS §23G-16.5.