A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

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

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

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

(3) The availability of dedicated alternate dispute resolution or similar programs that are specifically for the prevention or resolution of condominium-related disputes and are separate from alternate dispute resolution programs available for other disputes;

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

(5) Requirements for owner education at the point of sale of a unit; and

(6) Requirements for owner access to condominium documents.

(b) To the extent feasible, each subject shall include:

(1) Descriptive information detailing the approach of each jurisdiction;
(2) Identified strengths and weaknesses of each particular approach; and

(3) Identified best practices in the jurisdiction.

(c) The jurisdictions to be studied shall be:

(1) California;

(2) Delaware;

(3) Florida;

(4) Massachusetts;

(5) Nevada; and

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

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

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

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2024-2025 for the legislative reference bureau to conduct a study of condominium subjects in other states.
The sum appropriated shall be expended by the legislative reference bureau for the purposes of this Act.

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

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

INTRODUCED BY: _________________________________
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.

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legislation or evidence of legislative intent.