



Real Estate Branch

About Us

The Real Estate Branch, as part of the Professional and Vocational Licensing Division, assists the Real Estate Commission in carrying out its responsibility for the education, licensure and discipline of real estate licensees; registration of condominium projects, condominium associations, condominium managing agents, and condominium hotel operators; and intervening in court cases involving the real estate recovery fund.

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Contact Us

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Web: www.hawaii.gov/hirec

Learn more about the Real Estate Branch (REB) of the Department of Commerce and Consumer Affairs

Check out the REB website www.hawaii.gov/hirec for more information and some frequently asked questions.

- What services does the REB provide to the condominium community?
- Where do I file a complaint against my association?
- What laws apply to my condominium association?
- How do I get a copy of my association documents?



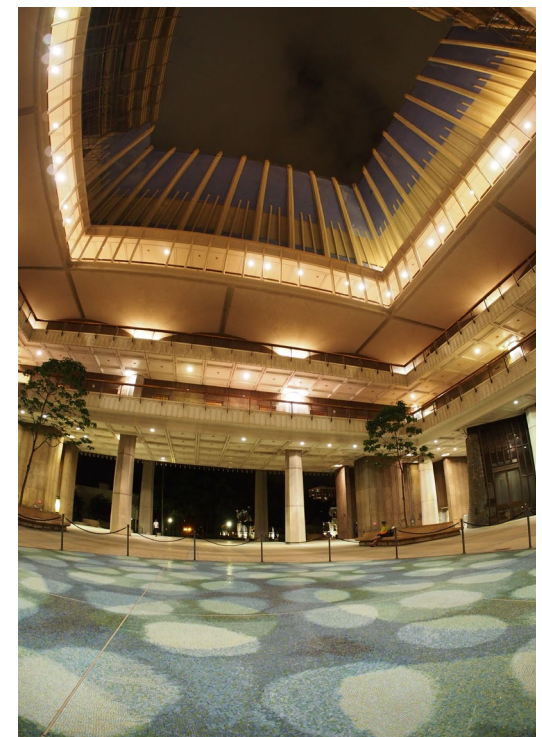
**CONDOMINIUM:
2017 LEGISLATIVE
SESSION UPDATE**
Real Estate Branch
335 Merchant Street #333
Honolulu, HI 96813

CONDOMINIUM:

2017 LEGISLATIVE SESSION UPDATE

*Real Estate Branch
Department of Commerce and
Consumer Affairs*

July 2017



2017 Legislative Session Update



The 2017 Legislative Session has adjourned with a number of condominium bills being signed into law. Please consult with professional legal expertise regarding

these new laws. The following descriptions are summarizations of a few acts meant to provide only general information.

House Bills:

[HB 239](#) (Act 73) clarifies that if a standard proxy is returned with no box or more than one box checked, the proxy shall be used for quorum purposes only.

[HB 832](#) (Act 81) states that any violation by a board or officers or members of the mandatory provisions of sections 514B-161 or 162, HRS, regarding mediation and arbitration may constitute a violation of fiduciary duty, but provides a safe harbor for dissenting board members. Act 81 also allows for post board election establishment of rules for owner participation at board meetings. Act 81 further clarifies that members shall be permitted to participate subject to

adopted rules. The act also expands that public notice list the business items expected to be discussed to be posted on the meeting agenda, and reduces the deadline for posting of unapproved final draft minutes from 60 days to 30 days.

[HB 1498](#) (Act 71) requires that a copy of any contract, written job description, and compensation between the association and any person or entity retained by the association to manage the operations of the property onsite to be added to the documents required to be made available to owners under section 514B-154.5, HRS, with some personal information allowed to be redacted. The act also mandates that only unit owners of a class (residential or non-residential) may vote to remove or replace a director of that class. The act allows non-residential association owned units to vote for non-residential directors. Finally, the act bans tenants from serving on the board.

Senate Bills:

[SB 292](#) (Act 181) repeals chapter 514A, HRS, in its entirety. Previously, the recodification of the condominium law under chapter 514B, HRS, superseded most of the governance sections within chapter 514A, HRS, for all condominium projects in the state. Act 181 repeals the

entire chapter on January 1, 2019, including the development sections while providing technical language on what happens to registered projects that still retain developer inventory, as well as projects created under chapter 514A, HRS, but never registered. Developers with chapter 514A, HRS, projects may wish to consult their attorneys regarding the repeal and the Real Estate Branch will be providing outreach to developers informing them of the deadlines.

[SB 369](#) (Act 190) prohibits retaliation within condominium associations against those acting in a lawful action to address, prevent or stop violations of chapter 514B, HRS, or the governing documents. Lawful actions protected include complaints or reports of alleged violations, participation in investigations, aiding in complaints, reports or investigations, and exercising or attempts to exercise any right granted under chapter 514B, HRS, or the governing documents. The law is enforced by allowing the person allegedly retaliated against to bring a civil action in district court, which the court may issue an injunction or award damages, court costs, attorney fees or other relief.

