

Real Estate Branch

Aloha Condominium Owners and Other Interested Individuals,

The Real Estate Commission continues to greatly appreciate your desire to educate and inform yourselves regarding condominium matters. In this email, the Commission highlights recent legislative updates to the condominium law.

If you missed an email, all of the prior topics covered in prior informational emails are available <u>here</u>.

Condominium Law Update – 2019 Legislative Session Update

The 2019 legislative session adjourned on May 2 with a number of condominium related bills enacted into law. These new laws cover a wide variety of issues related to condominiums, modification of priority payments, including longer retention of association voting documents, non-internet electronic voting devices, photovoltaic skylights and windows in condominiums, and non-judicial foreclosure. Please see our 2019 legislative update brochure for some of the coming changes to the condominium law <u>here</u>.

Tangentially related to condominium living, the handyman exemption from the contractors licensing law has been raised from \$1,000 to \$1,500, but applicable only to the cost of labor and materials. Please see <u>Act 283, SLH 2019</u>.

Developers – Partial Temporary Reenactment of Chapter 514A, Development Sections

The Legislature also extended the time frame for developers with unsold condominium units developed under chapter 514A, HRS, to transfer their projects to chapter 514B, HRS. This transfer is necessary for developers to legally offer units for sale. Many developers across the state were unable to meet the original January 1, 2019, deadline. <u>Act 223, SLH 2019</u>, extends the deadline to July 1, 2020, and clarifies the exact date when a project is transferred to chapter 514B, HRS. As a reminder, governance for all condominiums is under chapter 514B, HRS. For more information, click <u>here</u>.

The Commission has released updated chapter 514A, HRS, developer's public report forms along with a helpful guide to avoiding common mistakes on completing the form. All applications for a developer's public report for a chapter 514A, HRS, project must be submitted on the new form, which reflects only the sections that were temporarily reenacted. As a reminder, transfer into chapter 514B, HRS, means the report no longer expires, but that these developers are now subject to the developmental laws of chapter 514B, HRS, which includes the developer's annual report.

If you found any of this information helpful, please spread the word and invite other interested parties to subscribe to the email list <u>here</u>. Also, please visit our website at <u>http://www.hawaii.gov/hirec</u> for assistance in answering any questions concerning the Hawaii Real Estate Branch and all licensing issues.

If there are any further questions, please contact our office's condominium hotline at (808) 586-2644, between the hours of 7:45 a.m. and 4:30 p.m., Hawaiian Standard Time.

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