Condominium Project Registration

Reminders Real Estate Commission Memorandum 2021-1 (5/17/21)

The information provided here is intended to provide developers, including where applicable, their attorneys and agents, as well as interested others with supplemental information in the form of reminders about the condominium project registration process*.

The 2021 legislative session passed two bills which may impact future developments.

HB 247, SD2, would amend section 514B-52(b) and require that projects in agricultural zones that contain more than five units must provide an expanded section 205-4.6, HRS, letter that includes the applicant's assessment and county comments regarding the availability of supportive infrastructure, any potential impact on governmental plans and resources, sensitive environmental resources, and any other requirements pursuant to county ordinances and rules. The county will verify these statements during the verification of the existing section 205-4.6, HRS, letter. **The verified statement must be attached to the developer's public report as an exhibit.** HB 247, SD2 has been transmitted to Governor Ige and may be signed into law with an effective date of July 1, 2021.

The Hawaii Real Estate Commission is aware that the county review of such letters can be a lengthy process and *strongly* recommends that developers planning to submit projects in agricultural zoning with more than five units incorporate HB 247, SD2's disclosure requirements into their county letters now. If enacted, agricultural projects with more than five units will be required to meet that new requirement for effective dates after June 30, 2021. Projects which have not received an effective date by June 30, 2021, that do not have the expanded 205-4.6 letter will be marked incomplete and be delayed until an updated verified letter is provided. If enacted, the Hawaii Real Estate Commission will update the developer's public report form and the checklist for the law changes on July 1, 2021.

Agricultural projects with five or fewer units must still obtain the section 205-4.6, HRS, letter, but are **not** required to provide the additional statement, verification, or attach it as an exhibit to the developer's public report.

<u>HB 599, HD1, SD1, CD1</u>, would amend section 514B-121, HRS, and enable condominium associations to hold electronic meetings and electronic voting allows during certain states of emergency. The bill has been transmitted to Governor Ige and may be signed into law. Please ensure that future governing documents for projects comply with the bill's language. The law would take effect upon its approval.

* The provided information is unofficial, informal, and non-binding on the Real Estate Commission and is being provided pursuant to §16-201-92, Hawaii Administrative Rules.

Please contact the Real Estate Commission at (808) 586-2643 or at Hirec@dcca.hawaii.gov between 7:45 AM and 4:30 PM, Monday through Friday and your attorney for more information.