

CONDOMINIUM PROPERTY REGIME TASK FORCE
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

Date: April 2, 2026

Time: 1:00 p.m.

In-Person Meeting Location: Queen Liliuokalani Conference Room
HRH King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii 96813

Virtual Participation: Virtual Videoconference Meeting – Zoom Webinar
<https://dcca-hawaii-gov.zoom.us/j/88005940752?pwd=cOPdy0b5Nhzc6q1bo6Tmcmu6YfRRPB.1>

Present: Philip Nerney, Chairperson
Lila Mower, Vice Chairperson
Carol Fukunaga, State Senator
Dathan Choy, Department of Commerce and Consumer Affairs
Kealii Lopez, Member
Patti Thiele, Member
Raelene Tenno, Member

Kedin Kleinhans, Administrative Assistant
Rochelle Araki, Technical Support
Tammy Norton, Technical Support

Excused: Sean Quinlan, State Representative
Shari Wong, Deputy Attorney General

In-Person Guest(s): Neil Fujitani, Real Estate Branch
Richard Eshelman

Virtual Guest(s): Dale Head
Dawn Smith
Gregory Misakian
Jeff Sadino
Lorraine Leslie
Lucero Griego
Richard Emery
Victoria Bordignon

Agenda: The agenda for this meeting was posted to the State electronic calendar and filed with the Office of the Lieutenant Governor, as required by Hawaii Revised Statutes (“HRS”) section 92-7(b).

Call to Order: The meeting was called to order at 1:08 p.m., at which time quorum was established.

Old Business: **Approval of Minutes**

March 6, 2026

Administrative Assistant Kleinhans recommended for the Task Force to defer decision-making on this agenda item to a subsequent meeting, citing issues with the Department of Commerce and Consumer Affairs' website.

The agenda item was deferred.

New Business: **Discussion Topic: Licensing of Condominium Managers**

Vice Chairperson Mower stated the proposed regulation of condominium association managers, while examined by the State Auditor for sunrise in 2005, needs to be reexamined. She noted that the metrics that measured "no harm" were unclear.

Mr. Choy reported anecdotal reports of theft involving managing agents. Ms. Tenno received similar reports.

Ms. Tenno reported additional anecdotal reports of responding police officers taking no action on, for example, a harassment allegation from a unit owner. Vice Chairperson Mower received similar reports adding that responding officers typically cite an allegation of a potential criminal case as a civil matter because condominiums are "self-governing".

Chairperson requested confirmation that chapter 26H, HRS, requires a sunrise analysis for any new proposed regulation. Administrative Assistant Kleinhans confirmed and explained that sunrise shall be referred to the State Auditor by concurrent resolution. The concurrent resolution must identify a specific legislative bill for analysis.

Sen. Fukunaga indicated that, with regard to concerns involving police officers, the Task Force could issue a letter to county police departments describing enforcement concerns on criminal allegations within condominiums.

Upon a motion by Chairperson Nerney, seconded by Ms. Tenno, it was voted on and unanimously carried to send a letter describing enforcement concerns on criminal allegations within condominiums to the Mayor and Managing Director of the City and County of Honolulu.

Upon a motion by Chairperson Nerney, seconded by Sen. Fukunaga, it was voted on and unanimously carried to amend the previous motion to specify that the letter will be co-signed by Chairperson Nerney and Sen. Fukunaga.

Chairperson Nerney opened the floor to public testimony.

Guest, Gregory Misakian, requested to provide oral testimony. Chairperson Nerney recognized Mr. Misakian.

Mr. Misakian expressed concerns that the agenda does not specify the date of the meeting for the approval of meeting minutes, but understood that the agenda item was deferred.

Mr. Misakian reported a licensing complaint he filed in 2023 against managing agent, Associa Hawaii, as he discovered they were not properly licensed for three months. He described his experience of the complaint process and indicated that he was disparaged during an administrative hearing he attended regarding the matter. Mr. Misakian added he was disparaged by the board president of his condominium association who was also present at the hearing. He stated that Associa Hawaii is not confirmed as his association's managing agent.

Mr. Misakian further described deferred maintenance issues currently affecting his condominium, such as leaks, electrical problems, and elevator problems. He reported that his association's community managers are non-responsive.

Mr. Misakian recommended for the Task Force to create a Permitted Interaction Group for the public to provide additional information.

Guest, Richard Emery, requested to provide oral testimony. Chairperson Nerney recognized Mr. Emery.

Mr. Emery indicated that many complaints are due to managing agents not having the authority; the authority is with the board. He stated that a new licensing law would need to be crafted very carefully to minimize adverse economic effects, especially toward smaller-sized condominium associations. Mr. Emery added that a licensing law would not prevent thefts.

Guest, Dale Head, requested to provide oral testimony. Chairperson Nerney recognized Mr. Head.

Mr. Head suggested that building managers be required to undergo mandatory criminal background checks, noting that the current statute says "may".

Guest, Victoria Bordignon, requested to provide oral testimony. Chairperson Nerney recognized Ms. Bordignon.

Ms. Bordignon stated that there is currently no accountability for community managers. She noted that boards rely on the managing agent to make their

determination, adding that requiring a real estate license would solve many issues.

Vice Chairperson Mower agreed. She stated that the cost of having and holding someone accountable far outweighs a potential economic impact.

Guest, Richard Emery, requested to provide oral testimony. Chairperson Nerney recognized Mr. Emery.

Mr. Emery suggested the Task Force consider that 20% of condominium associations are self-managed. He added that legislation must consider situations where the agent advises the board to fund recommended repairs, but the board is not willing to increase maintenance fees.

Mr. Emery reported of a national direction for legislation to potentially require a licensee to disclose in meeting minutes of any objections the licensee had with the board.

Guest, Gregory Misakian, requested to provide oral testimony. Chairperson Nerney recognized Mr. Misakian.

Mr. Misakian stated that while the board makes the decision, the managing agent influences their decision; thus, managing agents should be held to a certain standard. He indicated that he is a director on his board, but was censured, which violates chapter 514B, HRS. Mr. Misakian further described issues with his association's community manager: he no longer receives regular and executive session minutes, the minutes are not signed off, and he has not received structural reports that he requested for over two years. He expressed concerns regarding the amount of fines imposed due to licensing disciplinary actions, which are a drop in the bucket for a managing agent.

Chairperson Nerney noted written testimony from Jeff Sadino suggested that if anyone should be licensed, it should be the supervisors. Chairperson Nerney asked if Mr. Sadino was present and could clarify his testimony.

Guest, Jeff Sadino, requested to provide oral testimony. Chairperson Nerney recognized Mr. Sadino.

Mr. Sadino stated that common terminology is needed to describe the various positions, for example, "site manager". He clarified that his testimony proposed licensure, at a minimum, be required for the "supervisor" of a "site manager". Mr. Sadino explained that compared to a "site manager", their "supervisors" have invested more into their careers.

Mr. Sadino further stated that a sunrise analysis should factor in the potential cost impact of licensure that may be borne by condominium associations.

Guest, Dale Head, requested to provide oral testimony. Chairperson Nerney recognized Mr. Head.

Mr. Head received similar reports where police officers responding to criminal allegations do not take any action, referring issues as civil matters because they occur in a self-governing community association.

Mr. Choy asked guest Neil Fujitani, Real Estate Branch, whether licensees must disclose any disciplinary actions taken against the licensee by the Hawaii Real Estate Commission on any professional/vocational license that they apply for, including other licensing authorities attached to the Professional and Vocational Licensing Division. Mr. Fujitani confirmed.

Ms. Tenno inquired where and how costs would increase if licensure were required. She noted that fees are paid by the individual licensee.

Ms. Tenno further stated that there should be protections for managing agents if a board is not willing to move forward with their recommendations to, for example, fund recommended repairs. Vice Chairperson Mower indicated that managing agents are able to amend meeting minutes to suit their needs. Sen. Fukunaga responded that legislation could require meeting minutes to be a complete reflection of what transpired.

Guest, Richard Emery, requested to provide oral testimony. Chairperson Nerney recognized Mr. Emery.

Mr. Emery explained that not all managing agent contracts are the same, for example, some do not attend meetings, and some handle financial obligations only. Regarding costs, he added that association managers are typically salaried employees; thus, increasing the licensing obligation could increase costs. Mr. Emery provided a national-level example: reserve study preparers have an obligation to disclose that the association did not accept their recommendation.

Vice Chairperson Mower disagreed that increasing the licensing obligation could increase costs, noting that other licensing professions pay their own individual fees.

Guest, Victoria Bordignon, requested to provide oral testimony. Chairperson Nerney recognized Ms. Bordignon.

Ms. Bordignon stated that management companies will handle the licensee fee, but the license belongs to the individual; however, this does not let the principal broker and managing agent off the hook.

Vice Chairperson Mower reported studies in 1980 that examined licensure of condominium managers, and noted that "real estate licensure" might not be the most appropriate.

Chairperson Nerney inquired whether new licensure would be in its own separate HRS chapter. Ms. Tenno indicated that it would make sense for licensure to be under the Hawaii Real Estate Commission. Ms. Lopez stated that a sunrise analysis could look at whether a separate chapter or in an existing one would be most appropriate.

Guest, Dawn Smith, requested to provide oral testimony. Chairperson Nerney recognized Ms. Smith.

Ms. Smith noted that educational requirements for licensure must be considered, for example, taking one or two classes. She added that property managers generally just quote laws and rules, and it is difficult to argue against a negative.

Mr. Choy left the meeting at 2:17 p.m.

Guest, Gregory Misakian, requested to provide oral testimony. Chairperson Nerney recognized Mr. Misakian.

Mr. Misakian agreed with Ms. Bordignon. He reported that his association has third-party site management which provides site management, maintenance, and cleaning staff. He noted that an officer of his association's board is employed with them.

Mr. Misakian suggested that licensure be required for all staff: site managers, community managers, and resident managers. He indicated that site managers need to be certified and meet training and educational requirements, citing that site managers maintain portfolios of tens of millions of dollars. Mr. Misakian described a situation where his association's site manager acted belligerent toward him while he was taking a photo of a fire panel. He noted that his site manager does not conduct fire watches.

Guest, Victoria Bordignon, requested to provide oral testimony. Chairperson Nerney recognized Ms. Bordignon.

Ms. Bordignon stated that chapter 467, HRS, contains the language "manage" and "offering to manage", which requires a real estate license; thus, it is likely beneficial to place regulation under chapter 467, HRS. She further stated that managing agents should put provisions in their contract that address how to deal with boards that disagree with their advice. She added that legislation could require such provision to be included.

Chairperson Nerney summarized that: (1) licensure could be a subpart of chapter 467, HRS, or its own dedicated chapter; and (2) a sunrise analysis is needed as the old analysis is not up to date.

Ms. Lopez suggested that the Task Force leave determining the regulatory structure of licensure to the State Auditor's sunrise analysis.

Next Meeting: TBD

Adjournment: The meeting adjourned at 2:29 p.m.

Reviewed and approved by:

/s/ Philip Nerney

(Mr.) Philip Nerney
Chairperson

PN:kck

04/06/26 (Date Drafted)

Minutes approved as is.

Minutes approved with changes:

Taken and recorded by:

/s/ Kedin Kleinhans

(Mr.) Kedin Kleinhans
Administrative Assistant