

CONDOMINIUM PROPERTY REGIME TASK FORCE

Department of Commerce and Consumer Affairs

State of Hawaii

<https://cca.hawaii.gov/>

AGENDA

Date: April 17, 2026

Time: 1:00pm

In-Person Meeting Location: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, 1st Floor
Honolulu, Hawaii 96813

Virtual Participation: Zoom Meeting (use link below):
<https://dcca-hawaii-gov.zoom.us/j/81502094964?pwd=Frpl3OM9Yxi1yCEOG2cshLB9zIEOER.1>

Phone: +1 669 900 6833 (US)
Meeting ID: 815 0209 4964

Passcode: 999436
Agenda: The agenda was posted to the State electronic calendar as required by Hawaii Revised Statutes (“HRS”) section 92-7(b).

PUBLIC TESTIMONY:

If you wish to submit written testimony on any agenda item, please email your testimony to cpr-taskforce@dcca.hawaii.gov, or submit by hard copy mail to:

Attn: Condominium Property Regime Task Force
335 Merchant Street, Room 333
Honolulu, Hawaii 96813.

We kindly request submission of testimony at least 24 hours prior to the meeting to ensure that it can be distributed to Task Force members.

INTERNET ACCESS:

To view the meeting and provide live oral testimony during the meeting, please use the above link. You will be asked to enter your name in order to access the meeting as an attendee. The Task Force requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to

remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g., *****@***mail.com.

Your microphone will be automatically muted. When the Chairperson asks for public testimony, you may click the Raise Hand button found on your Zoom screen to indicate that you wish to testify about that agenda item. The Chairperson will individually enable each testifier to unmute their microphone. When recognized by the Chairperson, please unmute your microphone before speaking and mute your microphone after you finish speaking.

PHONE ACCESS:

If you cannot get internet access, you may get audio-only access by calling the Zoom Phone Number listed at the top on the agenda.

Upon dialing the number, you will be prompted to enter the Meeting ID which is also listed at the top of the agenda. After entering the Meeting ID, you will be asked to either enter your panelist number or wait to be admitted into the meeting. You will not have a panelist number; so, please wait until you are admitted into the meeting.

When the Chairperson asks for public testimony, you may indicate you want to testify by entering " * " and then " 9 " on your phone's keypad. After entering " * " and then " 9 ", a voice prompt will let you know that the host of the meeting has been notified.

When recognized by the Chairperson, you may unmute yourself by pressing " * " and then " 6 " on your phone. A voice prompt will let you know that you are unmuted.

Once you have finished speaking, please enter " * " and then " 6 " again to mute yourself.

For both internet and phone access, when testifying, you will be asked to identify yourself and the organization, if any, that you represent. Each testifier will be limited to five minutes of testimony per agenda item.

Instructions to attend State of Hawaii virtual board meetings may be found online at: <https://cca.hawaii.gov/pvl/files/2020/08/State-of-Hawaii-Virtual-Board-Attendee-Instructions.pdf>

If connection to the meeting is lost for more than 30 minutes, the meeting will be continued on a specified date and time.

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

MINUTES OF MEETING

Date: March 6, 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/webinar/register/WN_r3T9X00KTHkr0ySEWm8PA

Present: Philip Nerney, Chairperson
Lila Mower, Vice Chairperson
Kedin Kleinhans, Department of Commerce and Consumer Affairs
Kealii Lopez, Member
Raelene Tenno, Member

Rochelle Araki, Technical Support
Nohelani Jackson, Technical Support

Excused: Carol Fukunaga, State Senator
Sean Quinlan, State Representative
Patti Thiele, Member
Shari Wong, Deputy Attorney General

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

Virtual Guest(s): Brooks Robinson
Dale Head
Dawn Smith
Gregory Misakian
Jeff Sadino
Kasandra Shriver
Lorraine Leslie

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 1:14 p.m., at which time quorum was established.

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

Mr. Misakian reported experiencing difficulties submitting his testimony. He provided a verbal summary, which expressed concerns regarding Chairperson Nerney as the Task Force's Chairperson.

Old Business: **Approval of Minutes**

September 11, 2023

Vice Chairperson Mower requested a correction to the last page, adding "#6. Enforcement of HRS chapter 514B" as a topic of discussion.

Mr. Kleinhans requested corrections to reflect the correct spelling of his last name, from "Kleinhaus" to "Kleinhans".

Upon a motion by Ms. Lopez, seconded by Ms. Tenno, it was voted on and unanimously carried to approve the minutes of the September 11, 2023, meeting with the corrections requested by Vice Chairperson Mower and Mr. Kleinhans.

January 30, 2026

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

Mr. Misakian requested corrections on the testimony he provided at this meeting. He stated that "little to no State funding" should be "no State funding".

Upon a motion by Ms. Lopez, seconded by Mr. Kleinhans, it was voted on and unanimously carried to approve the minutes of the January 30, 2026, meeting with the corrections requested by Mr. Misakian.

New Business: **Adoption of Meeting Rule Concerning Time Limit for Public Testimony**

Chairperson asked Task Force members whether any changes to the time limit for public testimony should be considered, for example, a two-minute limit for testimony.

Vice Chairperson Mower noted that the agenda currently specifies a five-minute limit.

Ms. Lopez stated that public testimony is important and is comfortable with the current five-minute limit. Vice Chairperson Mower agreed.

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

Mr. Misakian thanked the Task Force members for keeping the five-minute limit.

Discussion Topic: Education at the Point of Sale

Ms. Tenno presented examples of educational materials for prospective buyers regarding the sales process.

Chairperson Nerney stated that consumers do not have an accurate understanding of what they are buying into. He added that the LRB report also found that many buyers do not read the documents.

Vice Chairperson Mower asked whether this topic involved education for new sales or resales. Ms. Tenno responded that this topic involves both new sales and resales.

Vice Chairperson Mower stated that the sales process is overwhelming, and it is unclear how much information consumers are able to absorb. She added that the Hawaii State Department of Education and the University of Hawaii could provide educational content on, for example, financial literacy.

Ms. Tenno noted that a nationwide trend is developing in which schools are requiring students to take such courses.

Vice Chairperson Mower inquired about how the information involving the sales process could be made more palatable and understandable. She mentioned that real estate licensees could get more involved, and possibly receive more training.

Ms. Lopez stated that real estate licensees have so much responsibility when selling condominiums and that they, as well as consumers, should fully understand the property for sale.

Chairperson Nerney asked whether a change to HRS chapter 467 would be necessary. Mr. Kleinhans responded that the Hawaii Real Estate Commission currently has the authority to determine the content of any mandatory continuing education courses required for real estate licensees. Mr. Kleinhans further noted that the Task Force could request that the Hawaii Real Estate Commission include condominium content in its mandatory continuing education courses.

Ms. Tenno indicated that such request to the Hawaii Real Estate Commission should include legislative updates to HRS chapter 514B. She reported that the continuing education required for mortgage loan originators, regulated under the DCCA Division of Financial Institutions,

includes Hawaii-specific content, taken annually. She suggested that the content of the course be related to condominiums and planned community associations.

Ms. Lopez inquired whether the Task Force is able to submit a request to both the Hawaii Real Estate Commission and the DCCA Division of Financial Institutions. Mr. Kleinhans confirmed, noting that the Task Force is administratively attached to the Department of Commerce and Consumer Affairs.

Chairperson Nerney requested confirmation if Task Force members believe there should be increased education on condominiums for both real estate licensees and mortgage brokers. Ms. Tenno and Ms. Lopez confirmed.

Discussion ensued on the ten-day timeframe buyers have to review sales documents. Ms. Lopez inquired whether extending the number of days would be useful for buyers. Vice Chairperson Mower responded that extending the number of days may lead to increased cancellations of sales transactions.

Chairperson Nerney expressed concerns regarding buyers that willingly choose not to read the sales documents. He added that it is unclear how to address the issue of getting such buyers to read, and he inquired where to draw the line.

Vice Chairperson Mower expressed additional concerns regarding the distribution of information by condominium managing agents. She added that the Department of Commerce and Consumer Affairs could be more proactive in education, such as writing an article for newspapers.

Chairperson Nerney asked if more "Condoramas" would be helpful. Vice Chairperson Mower believes it would.

Guest, Kasandra Shriver, requested to provide oral testimony. Chairperson Nerney recognized Ms. Shriver.

Ms. Shriver was present on behalf of Hawaii Realtors. She explained that real estate licensees must obtain twenty hours of continuing education every other year, and must take one mandatory core course on current law changes each year. She expressed concerns about requiring mandatory condominium education, as some real estate licensees do not engage in the sale of condominiums. Ms. Shriver provided an overview of the seller disclosure form and form RR-105c, which continuously changes and involves a fee. She added that extending the ten-day review period may lead to increased waivers, since many buyers will likely waive them to get their offers accepted. Ms. Shriver believes more public education before the transaction could be effective.

Ms. Lopez asked about seller disclosures, for example, must a seller disclose that the location of the property has a high crime rate, or that the association's board is ineffective.

Ms. Shriver responded that a real estate licensee cannot steer buyers toward or away from certain neighborhoods, as this violates the Fair Housing Act. She noted that it would be difficult for a seller's agent to determine who is actually responsible for any issues. Real estate licensees are able to provide factual information and the material facts of the property, but they cannot assume or determine who or what is causing the issue.

Ms. Lopez asked if multiple lawsuits or legal fees involving a condominium are considered a material fact that must be disclosed to the buyer.

Ms. Shriver confirmed, noting that active lawsuits are listed in the RR-105c. She added that a civil dispute between two neighbors would also be disclosed as a material fact. Ms. Shriver believes having well-informed licensees and buyers are both important.

Ms. Tenno asked if it is possible for the mandatory ten-day review requirement to be made non-waivable by statute.

Ms. Shriver responded that the "M1" disclosures must be made because there is a statutory requirement. She agreed that, with research and careful crafting of language, it is possible to add into statute that the mandatory review cannot be waived. She added that obtaining condominium association documents can also be an issue.

Vice Chairperson Mower agreed that there are issues obtaining association documents from managing agents. She noted that, with regard to the condominium association biennial registration application, associations answer "no" when asked whether any mediations were conducted; however, she is aware that mediations did occur.

Chairperson Nerney explained the condominium association biennial registration requirement. He asked whether there are opportunities to refine the information required for association registration.

Vice Chairperson Mower responded that there would be opportunities assuming the property manager accurately completes the association registration.

Chairperson Nerney stated that there is a big disincentive should a condominium association fail to register.

Chairperson Nerney asked Ms. Shriver for her thoughts on finding the balance point on considering changes to education at the point of sale.

Ms. Shriver responded that there are three parts to consider: (1) compliance enforcement for associations; (2) educating real estate licensees and keeping continuing education relevant to licensees; and (3) helping buyers understand the process.

Guest, Brooks Robinson, requested to provide oral testimony. Chairperson Nerney recognized Mr. Robinson.

Mr. Robinson expressed concerns regarding the arrangement of condominiums, noting that they are set up in a skewed way under the management companies. He added that there is no university that offers a full program to become a property manager. Mr. Robinson expressed further concerns regarding appraisals and the language in the appraisal form required by Fannie Mae and Freddie Mac. He stated that there needs to be changes to the appraisal form, and formal education programs should be required.

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

Mr. Misakian stated that fair housing in Hawaii is not fair housing, and believes a website needs to be available to owners. He expressed concerns regarding the Department of Commerce and Consumer Affairs' new website, noting that information previously available is no longer accessible.

Chairperson Nerney responded that the Department of Commerce and Consumer Affairs is aware of the issues involving the new website and is working to resolve them. He indicated that it would be helpful if comments remained related to the topic.

Mr. Misakian reported that it is difficult to research and find information when purchasing a condominium today. He believes real estate licensees could update their clients on legislative changes.

Mr. Misakian expressed additional concerns with the condominium association biennial registration form, noting that the registration only asks if mediations were performed, but not lawsuits. He requested if Mr. Kleinhans could look into this matter. Mr. Kleinhans acknowledged Mr. Misakian's request and will look into the matter.

Mr. Misakian believes that association documents should be made available to prospective purchasers on a website.

He also inquired whether there is a conflict of interest with HCCA, and why HCCA is doing most of the training.

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

Mr. Sadino reported that 85% of first-time home buyers are purchasing a condominium. He agreed that the volume of documents involved in the sales process are overwhelming, noting that even after taking an eight-hour educational course to prepare for his purchase, he still felt half as prepared as he should have been. Mr. Sadino suggested extending education by, for example, providing a one-page overview for associations and/or owners annually or on a periodic basis.

Mr. Sadino noted that an individual had reached out to him, indicating their willingness to attend and participate in a Task Force meeting, but felt that it was too intimidating. Ms. Tenno asked if Mr. Sadino could check whether the individual would like to participate by submitting written testimony instead.

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

Mr. Head described his anecdotal experience of purchasing a condominium unit in 1987. During the sale, he was advised that the condominium was 25% owner-occupied. After the purchase, he discovered it was only 8% owner-occupied. He noted that at some point, maintenance fees skyrocketed past mortgage fees.

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

Ms. Smith reported that problems are outside the point-of-sale, citing that documents received from the management company should be honest. She added concern that volunteer boards of directors often cite business judgement rule as an excuse and that there is no retribution. She stated that they need more education so they can follow the rules.

Ms. Lopez requested clarity on Ms. Smith's concerns regarding the board of directors, noting that for non-profit organizations, the board of directors can be held liable. Ms. Smith responded that board members have D&O insurance and therefore have little to lose.

Guest, Neil Fujitani, requested to provide oral testimony. Chairperson Nerney recognized Mr. Fujitani.

Mr. Fujitani asked whether the Task Force had any specific types of subjects for real estate licensees to learn. Chairperson Nerney responded that the Task Force will render a determination at a later meeting.

Chairperson Nerney recapped that real estate licensees may require more education, that consumers also have a role in becoming educated, and that the Task Force must determine where to draw the line when implementing changes.

Vice Chairperson Mower suggested that the next meeting cover the topic of “licensing of condominium management”.

Ms. Lopez asked whether the Task Force could consider adding an agenda item, citing Mr. Misakian’s testimony about Chairperson Nerney. She stated that the Task Force duly elected its Chairperson by vote. Mr. Kleinhans responded that HRS chapter 92 requires a two-thirds vote to add an item to the agenda, noting that the vote of all members present would not reach the two-thirds threshold.

Ms. Lopez asked Chairperson Nerney for his thoughts on the matter. Mr. Kleinhans reminded Task Force members that items to be considered must be on the meeting agenda.

Ms. Tenno requested if Mr. Kleinhans could work with administrative assistant, Kyle Ladao, in making the meeting agenda clearer, for example, bolding the instructions for public testimony. Mr. Kleinhans responded that he will work with Mr. Ladao.

Next Meeting: TBD

Adjournment: The meeting adjourned at 3:13 p.m.

Reviewed and approved by:

/s/ Philip Nerney

(Mr.) Philip Nerney
Task Force Chairperson

03/17/26 (Date Drafted)

() Minutes approved as is.

() Minutes approved with changes:

PN:ra

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

DRAFT