



GOV. MSG. NO 746

EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

June 17, 2009

The Honorable Colleen Hanabusa, President  
and Members of the Senate  
Twenty-Fifth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on June 17, 2009, the following bill was signed into law:

SB1107 SD2 HD2 CD1

A BILL FOR AN ACT  
RELATING TO CONDOMINIUMS.  
ACT 129 (09)

Sincerely,



LINDA LINGLE

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# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. In 2000, the legislature, recognizing the need  
2 to clarify and update the State's condominium laws, directed the  
3 real estate commission to conduct a comprehensive review of  
4 chapter 514A. The real estate commission reported the results  
5 of its study to the legislature in December 2003, and included  
6 proposed legislation that repealed the existing chapter 514A and  
7 replaced it with a new comprehensive condominium law. The final  
8 version of that measure, however, differed from the original  
9 version recommended by the commission. The legislature  
10 revisited the issue of condominium regulation in the 2005, 2006,  
11 and 2007 sessions, when it fine-tuned the "new" condominium law  
12 codified in chapter 514B and reinstated the "old" condominium  
13 law codified in chapter 514A. This resulted in two parallel  
14 chapters on condominiums as well as two separate trust funds  
15 designated for identically defined educational purposes.

16           The two educational trust funds obligate the real estate  
17 commission to duplicate its work by separately budgeting,



1 planning, reporting to the legislature, and accounting for the  
2 receipts and expenses of the two funds. This result is  
3 administratively impractical, burdensome, and confusing.

4 The purpose of this Act is to merge the two funds into one  
5 fund, the condominium education trust fund, by repealing the  
6 condominium management education fund; transferring all  
7 unexpended and unencumbered balances remaining in the  
8 condominium management education fund to the credit of the  
9 condominium education trust fund; clarifying the allocation of  
10 future payments due to the credit of the condominium education  
11 trust fund, and changing all statutory references to the  
12 condominium education trust fund.

13 SECTION 2. Section 26-9, Hawaii Revised Statutes, is  
14 amended by amending subsection (o) to read as follows:

15 "(o) Every person licensed under any chapter within the  
16 jurisdiction of the department of commerce and consumer affairs  
17 and every person licensed subject to chapter 485A or registered  
18 under chapter 467B shall pay upon issuance of a license, permit,  
19 certificate, or registration a fee and a subsequent annual fee  
20 to be determined by the director and adjusted from time to time  
21 to ensure that the proceeds, together with all other fines,  
22 income, and penalties collected under this section, do not



1 surpass the annual operating costs of conducting compliance  
2 resolution activities required under this section. The fees may  
3 be collected biennially or pursuant to rules adopted under  
4 chapter 91, and shall be deposited into the special fund  
5 established under this subsection. Every filing pursuant to  
6 chapter 514E or section 485A-202(a)(26) shall be assessed, upon  
7 initial filing and at each renewal period in which a renewal is  
8 required, a fee that shall be prescribed by rules adopted under  
9 chapter 91, and that shall be deposited into the special fund  
10 established under this subsection. Any unpaid fee shall be paid  
11 by the licensed person, upon application for renewal,  
12 restoration, reactivation, or reinstatement of a license, and by  
13 the person responsible for the renewal, restoration,  
14 reactivation, or reinstatement of a license, upon the  
15 application for renewal, restoration, reactivation, or  
16 reinstatement of the license. If the fees are not paid, the  
17 director may deny renewal, restoration, reactivation, or  
18 reinstatement of the license. The director may establish,  
19 increase, decrease, or repeal the fees when necessary pursuant  
20 to rules adopted under chapter 91. The director may also  
21 increase or decrease the fees pursuant to section 92-28.



1        There is created in the state treasury a special fund to be  
2 known as the compliance resolution fund to be expended by the  
3 director's designated representatives as provided by this  
4 subsection. Notwithstanding any law to the contrary, all  
5 revenues, fees, and fines collected by the department shall be  
6 deposited into the compliance resolution fund. Unencumbered  
7 balances existing on June 30, 1999, in the cable television fund  
8 under chapter 440G, the division of consumer advocacy fund under  
9 chapter 269, the financial institution examiners' revolving  
10 fund, section 412:2-109, the special handling fund, section  
11 414-13, and unencumbered balances existing on June 30, 2002, in  
12 the insurance regulation fund, section 431:2-215, shall be  
13 deposited into the compliance resolution fund. This provision  
14 shall not apply to the drivers education fund underwriters fee,  
15 section 431:10C-115, insurance premium taxes and revenues,  
16 revenues of the workers' compensation special compensation fund,  
17 section 386-151, the captive insurance administrative fund,  
18 section 431:19-101.8, the insurance commissioner's education and  
19 training fund, section 431:2-214, the medical malpractice  
20 patients' compensation fund as administered under section 5 of  
21 Act 232, Session Laws of Hawaii 1984, and fees collected for  
22 deposit in the office of consumer protection restitution fund,



1 section 487-14, the real estate appraisers fund, section 466K-1,  
2 the real estate recovery fund, section 467-16, the real estate  
3 education fund, section 467-19, the contractors recovery fund,  
4 section 444-26, the contractors education fund, section 444-29,  
5 [~~the condominium management education fund, section 514A-131,~~]  
6 and the condominium education trust fund, section 514B-71. Any  
7 law to the contrary notwithstanding, the director may use the  
8 moneys in the fund to employ, without regard to chapter 76,  
9 hearings officers and attorneys. All other employees may be  
10 employed in accordance with chapter 76. Any law to the contrary  
11 notwithstanding, the moneys in the fund shall be used to fund  
12 the operations of the department. The moneys in the fund may be  
13 used to train personnel as the director deems necessary and for  
14 any other activity related to compliance resolution.

15 As used in this subsection, unless otherwise required by  
16 the context, "compliance resolution" means a determination of  
17 whether:

- 18 (1) Any licensee or applicant under any chapter subject to  
19 the jurisdiction of the department of commerce and  
20 consumer affairs has complied with that chapter;
- 21 (2) Any person subject to chapter 485A has complied with  
22 that chapter;



1 (3) Any person submitting any filing required by chapter  
2 514E or section 485A-202(a)(26) has complied with  
3 chapter 514E or section 485A-202(a)(26);

4 (4) Any person has complied with the prohibitions against  
5 unfair and deceptive acts or practices in trade or  
6 commerce; or

7 (5) Any person subject to chapter 467B has complied with  
8 that chapter;

9 and includes work involved in or supporting the above functions,  
10 licensing, or registration of individuals or companies regulated  
11 by the department, consumer protection, and other activities of  
12 the department.

13 The director shall prepare and submit an annual report to  
14 the governor and the legislature on the use of the compliance  
15 resolution fund. The report shall describe expenditures made  
16 from the fund including non-payroll operating expenses."

17 SECTION 3. Section 514A-40, Hawaii Revised Statutes, is  
18 amended by amending subsection (c) to read as follows:

19 "(c) No effective date shall be issued by the commission  
20 for a final public report until the developer, pursuant to  
21 section 514B-72, has paid into the [~~condominium management~~  
22 ~~education fund~~] condominium education trust fund established



1 under section 514B-71 a nonrefundable fee of \$5 for each  
2 apartment in the project. Fees required by this subsection  
3 shall be subject to adjustment as prescribed by rules adopted by  
4 the director of commerce and consumer affairs pursuant to  
5 chapter 91. [~~Payments required under this subsection shall be~~  
6 ~~due after June 13, 1989.~~] "

7 SECTION 4. Section 514A-46, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "§514A-46 Investigatory powers. If the commission has  
10 reason to believe that any person is violating or has violated  
11 section 514A-2, 514A-31 to 514A-49, 514A-61 to 514A-63, 514A-65,  
12 514A-67, 514A-68, 514A-70, 514A-83.5, 514A-84, 514A-85, 514A-95,  
13 514A-95.1, 514A-97, 514A-98, [~~514A-132, or~~] 514A-134, or  
14 514B-72, or the rules of the commission adopted pursuant  
15 thereto, the commission may conduct an investigation of the  
16 matter and examine the books, accounts, contracts, records, and  
17 files of the association of apartment owners, the board of  
18 directors, the managing agent, the real estate broker, the real  
19 estate salesperson, the purchaser, or the developer. For the  
20 purposes of this examination, the developer and the real estate  
21 broker shall keep and maintain records of all sales transactions  
22 and of the funds received by the developer and the real estate





1 broker pursuant thereto, and shall make the records accessible  
2 to the commission upon reasonable notice and demand."

3 SECTION 5. Section 514A-47, Hawaii Revised Statutes, is  
4 amended to read as follows:

5 "§514A-47 Cease and desist orders. In addition to its  
6 authority under section 514A-48, whenever the commission has  
7 reason to believe that any person is violating or has violated  
8 section 514A-2, 514A-31 to 514A-49, 514A-61 to 514A-63, 514A-65,  
9 514A-67, 514A-68, 514A-70, 514A-83.5, 514A-84, 514A-85, 514A-95,  
10 514A-95.1, 514A-97, 514A-98, [~~514A-132, or~~] 514A-134, or  
11 514B-72, or the rules of the commission adopted pursuant  
12 thereto, it shall issue and serve upon the person a complaint  
13 stating its charges in that respect and containing a notice of a  
14 hearing at a stated place and upon a day at least thirty days  
15 after the service of the complaint. The person served has the  
16 right to appear at the place and time specified and show cause  
17 why an order should not be entered by the commission requiring  
18 the person to cease and desist from the violation of the law or  
19 the rules of the commission charged in the complaint. If, upon  
20 the hearing, the commission is of the opinion that this chapter  
21 or the rules of the commission have been or are being violated,  
22 it shall make a report in writing stating its findings as to the



1 facts and shall issue and cause to be served on the person an  
2 order requiring the person to cease and desist from the  
3 violations. The person, within thirty days after service upon  
4 the person of the report or order, may obtain a review thereof  
5 in the appropriate circuit court."

6 SECTION 6. Section 514A-48, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 "**§514A-48 Power to enjoin.** Whenever the commission  
9 believes from satisfactory evidence that any person has violated  
10 section 514A-2, 514A-31 to 514A-49, 514A-61 to 514A-63, 514A-65,  
11 514A-67, 514A-68, 514A-70, 514A-83.5, 514A-84, 514A-85, 514A-95,  
12 514A-95.1, 514A-97, 514A-98, [~~514A-132, or~~] 514A-134, or  
13 514B-72, or the rules of the commission adopted pursuant  
14 thereto, it may conduct an investigation on the matter and bring  
15 an action in the name of the people of the State in any court of  
16 competent jurisdiction against the person to enjoin the person  
17 from continuing the violation or engaging therein or doing any  
18 act or acts in furtherance thereof."

19 SECTION 7. Section 514A-49, Hawaii Revised Statutes, is  
20 amended by amending subsection (a) to read as follows:

21 "(a) Any person who violates or fails to comply with  
22 section 514A-2, 514A-31 to 514A-49, 514A-61 to 514A-63, 514A-65,



1 514A-67, 514A-68, 514A-70, 514A-83.5, 514A-84, 514A-85, 514A-95,  
2 514A-95.1, 514A-97, 514A-98, 514A-102 to [~~514A-106, 514A-132, or~~  
3 ~~514A-134,~~] 514A-105, 514A-134, or 514B-72 is guilty of a  
4 misdemeanor and shall be punished by a fine not exceeding  
5 \$10,000 or by imprisonment for a term not exceeding one year, or  
6 both. Any person who violates or fails, omits, or neglects to  
7 obey, observe, or comply with any rule, order, decision, demand,  
8 or requirement of the commission under section [~~514A-2,~~] 514A-31  
9 to 514A-49, 514A-61 to 514A-63, 514A-65, 514A-67, 514A-68,  
10 514A-70, 514A-83.5, 514A-84, 514A-85, 514A-95, 514A-95.1,  
11 514A-97, 514A-98, 514A-102 to [~~514A-106, 514A-132, or 514A-134~~]  
12 514A-105, or 514B-72 shall be punished by a fine not exceeding  
13 \$10,000."

14 SECTION 8. Section 514A-95.1, Hawaii Revised Statutes, is  
15 amended by amending subsection (a) to read as follows:

16 "(a) Each condominium project or association of apartment  
17 owners having [~~six or~~] more than five apartments shall:

18 (1) Secure a fidelity bond in an amount equal to \$500  
19 multiplied by the number of apartments, to cover all  
20 officers, directors, employees, and managing agents of  
21 the association of apartment owners who handle,  
22 control, or have custody of the funds of the



1 association of apartment owners; provided that the  
2 amount of the fidelity bond required by this paragraph  
3 shall not be less than \$20,000 nor greater than  
4 \$100,000. The fidelity bond shall protect the  
5 association of apartment owners against fraudulent or  
6 dishonest acts by persons, including any managing  
7 agent, [~~handling~~] who have access to the funds of the  
8 association of apartment owners. An association of  
9 apartment owners shall act promptly and diligently to  
10 recover from the fidelity bond required by this  
11 section. An association of apartment owners that is  
12 unable to obtain a fidelity bond may seek approval for  
13 an exemption or a bond alternative from the  
14 commission. The commission shall adopt rules  
15 establishing the conditions and terms for which it may  
16 grant an exemption or a bond alternative, or permit  
17 deductibles. Failure to obtain or maintain a fidelity  
18 bond in compliance with this chapter and the rules  
19 adopted pursuant thereto, including failure to provide  
20 current evidence of the fidelity bond coverage in a  
21 timely manner to the commission, shall result in  
22 non-registration or the automatic termination of the



1 registration, unless an approved exemption or a bond  
2 alternative is presently maintained. Current evidence  
3 of a fidelity bond includes a certification statement  
4 from an insurance company registered with the  
5 department of commerce and consumer affairs certifying  
6 that the bond is in effect and meets the requirement  
7 of this section and the rules adopted by the  
8 commission;

- 9 (2) Register with the commission through approval of a  
10 completed registration application, payment of fees,  
11 and submission of any [~~ether~~] additional information  
12 set forth by the commission. Beginning June 30, 1997,  
13 the registration shall be for a biennial period with  
14 termination on June 30 of an odd-numbered year. The  
15 commission shall prescribe a deadline date prior to  
16 the termination date for the submission of a completed  
17 reregistration application, payment of fees, and any  
18 [~~ether~~] additional information set forth by the  
19 commission. Any condominium project or association of  
20 apartment owners that has not met the submission  
21 requirements by the deadline date shall be considered  
22 a new applicant for registration and subject to



1 initial registration requirements. Any new  
2 condominium project or association of apartment owners  
3 shall register within thirty days of the association  
4 of apartment owners' first meeting. If the  
5 association of apartment owners has not held its first  
6 meeting [~~and it is at least~~] within one year after the  
7 recordation of the purchase of the first apartment in  
8 the condominium project, the developer or developer's  
9 affiliate or the managing agent shall register on  
10 behalf of the unorganized association of apartment  
11 owners and shall comply with this section, except the  
12 fidelity bond requirement for association of apartment  
13 owners. The public information required to be  
14 submitted on any completed application form shall  
15 include but not be limited to evidence of and  
16 information on fidelity bond coverage, names and  
17 positions of the officers of the association, the name  
18 of the association of apartment owners' managing  
19 agent, if any, the street and the postal address of  
20 the condominium, and the name and current mailing  
21 address of a designated officer of the association of



1 apartment owners where the officer can be contacted  
2 directly;

3 (3) Pay a nonrefundable application fee and, upon  
4 approval, an initial registration fee [~~and~~  
5 ~~subsequently pay~~] or a reregistration fee, and the  
6 [~~condominium management education fund fee, as~~  
7 ~~provided in~~] condominium education trust fund fee  
8 pursuant to section 514B-72 and rules adopted by the  
9 director of commerce and consumer affairs pursuant to  
10 chapter 91;

11 (4) Register or reregister and pay the required fees by  
12 the due date. Failure to register or reregister or to  
13 pay the required fees by the due date shall result in  
14 the assessment of a penalty equal to the amount of the  
15 registration or reregistration fee; and

16 (5) Report immediately in writing to the commission any  
17 changes to the information contained on the  
18 registration or reregistration application, the  
19 evidence of the fidelity bond, or any other documents  
20 set forth by the commission. Failure to do so may  
21 result in termination of registration and subject the



1 condominium project or the association of apartment  
2 owners to initial registration requirements."

3 SECTION 9. Chapter 514A, part VIII, Hawaii Revised  
4 Statutes, is amended to read as follows:

5 "[+] PART VIII. [~~]- CONDOMINIUM MANAGEMENT EDUCATION FUND~~]

6 MISCELLANEOUS

7 [~~]-[514A-131] Condominium management education fund. (a)~~

8 ~~The real estate commission shall establish a condominium~~  
9 ~~management education fund that the commission may use for~~  
10 ~~educational purposes. Educational purposes shall include~~  
11 ~~financing or promoting:~~

12 (1) ~~Education and research in the field of condominium~~  
13 ~~management, condominium registration, and real estate~~  
14 ~~for the benefit of the public and those required to be~~  
15 ~~registered under this chapter;~~

16 (2) ~~The improvement and more efficient administration of~~  
17 ~~condominium associations; and~~

18 (3) ~~Expeditious and inexpensive procedures for resolving~~  
19 ~~condominium association disputes.~~

20 (b) ~~The commission may use any and all moneys in the~~  
21 ~~condominium management education fund for purposes consistent~~  
22 ~~with subsection (a).~~





1       ~~§514A-132 Payments to the fund.~~ (a) ~~Each condominium~~  
2 ~~project or association of apartment owners with six or more~~  
3 ~~apartments shall pay to the department of commerce and consumer~~  
4 ~~affairs the condominium management education fund fee on or~~  
5 ~~before June 30 of an odd numbered year or within thirty days of~~  
6 ~~the association of apartment owners' first meeting or within one~~  
7 ~~year after the recordation of the purchase of the first~~  
8 ~~apartment, as prescribed by rules adopted by the director of~~  
9 ~~commerce and consumer affairs pursuant to chapter 91.~~

10       ~~(b) The department of commerce and consumer affairs shall~~  
11 ~~allocate the fees collected to the condominium management~~  
12 ~~education fund established pursuant to section 514A-131.~~

13       ~~(c) Payments of any fees required under this section shall~~  
14 ~~be due on or before the registration due date and shall be~~  
15 ~~nonrefundable. Failure to pay the required fee by the due date,~~  
16 ~~shall result in a penalty assessment of ten per cent of the~~  
17 ~~amount due and the association of apartment owners shall not~~  
18 ~~have standing to bring any action to collect or to foreclose any~~  
19 ~~lien for common expenses or other assessments in any court of~~  
20 ~~this State until the amount due, including any penalty, is paid.~~  
21 ~~Failure of an association of apartment owners to pay a fee~~  
22 ~~required under this section shall not impair the validity of any~~



1 ~~claim of the association of apartment owners for common expenses~~  
2 ~~or other assessments, or prevent the association of apartment~~  
3 ~~owners from defending any action in any court of this State.~~

4 ~~§514A 133 Management of fund. (a) The sums received by~~  
5 ~~the commission for deposit in the condominium management~~  
6 ~~education fund shall be held by the commission in trust for~~  
7 ~~carrying out the purpose of the fund.~~

8 ~~(b) The commission and the director of commerce and~~  
9 ~~consumer affairs may use moneys in the condominium management~~  
10 ~~education fund to employ necessary personnel not subject to~~  
11 ~~chapter 76 for additional staff support, to provide office~~  
12 ~~space, and to purchase equipment, furniture, and supplies~~  
13 ~~required by the commission to carry out its responsibilities~~  
14 ~~under this part.~~

15 ~~(c) The moneys in the condominium management education~~  
16 ~~fund may be invested and reinvested together with the real~~  
17 ~~estate education fund established under section 467 19 in the~~  
18 ~~same manner as are the funds of the employees retirement system~~  
19 ~~of the State. The interest from these investments shall be~~  
20 ~~deposited to the credit of the condominium management education~~  
21 ~~fund.~~



1       ~~(d) The commission shall annually submit to the~~  
2 ~~legislature, prior to the convening of each regular session:~~

3       ~~(1) A summary of the programs funded during the prior~~  
4       ~~fiscal year and the amount of money in the fund, and~~

5       ~~(2) A copy of the budget for the current fiscal year,~~  
6       ~~including summary information on programs which were~~  
7       ~~funded or are to be funded.]~~

8       [+]§514A-134[+] **False statement.** It shall be unlawful for  
9 any association of apartment owners, its officers, its board of  
10 directors, or its agents to file with the commission any notice,  
11 statement, or other document required under this chapter that is  
12 false or untrue or contains any material misstatement of fact.  
13 Any violation of this section shall constitute a misdemeanor.

14       [+]§514A-135[+] **Rules.** The real estate commission shall  
15 adopt rules pursuant to chapter 91 to effectuate fully the  
16 purpose of this [+]part[+]."

17       SECTION 10. Section 514B-72, Hawaii Revised Statutes, is  
18 amended follows:

19       1. By amending subsection (a) to read:

20       "(a) Each project or association with more than five  
21 units, including any project or association with more than five  
22 units subject to chapter 514A, shall pay to the department of



1 commerce and consumer affairs a condominium education trust fund  
2 fee within one year after the recordation of the purchase of the  
3 first unit or within thirty days of the association's first  
4 meeting, and thereafter, on or before June 30 of every odd-  
5 numbered year, as prescribed by rules adopted pursuant to  
6 chapter 91."

7 2. By amending subsection (d) to read:

8 "(d) The department of commerce and consumer affairs shall  
9 allocate the fees collected under this section, section 514A-40,  
10 and section 514A-95.1 to the condominium education trust fund  
11 established pursuant to section 514B-71. The fees collected  
12 pursuant to this section shall be administratively and fiscally  
13 managed together as one condominium education trust fund  
14 established by section 514B-71."

15 SECTION 11. Section 514B-73, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "[+]§514B-73 [+] **Condominium education trust fund;**  
18 **management.** (a) The sums received by the commission for  
19 deposit in the condominium education trust fund pursuant to  
20 sections 514A-40, 514A-95.1, and 514B-72 shall be held by the  
21 commission in trust for carrying out the purpose of the fund.



1 (b) The commission and the director of commerce and  
2 consumer affairs may use moneys in the condominium education  
3 trust fund collected pursuant to sections 514A-40, 514A-95.1,  
4 and 514B-72, and the rules of the commission to employ necessary  
5 personnel not subject to chapter 76 for additional staff  
6 support, to provide office space, and to purchase equipment,  
7 furniture, and supplies required by the commission to carry out  
8 its responsibilities under this part.

9 (c) The moneys in the condominium education trust fund  
10 collected pursuant to sections 514A-40, 514A-95.1, and 514B-72,  
11 and the rules of the commission may be invested and reinvested  
12 together with the real estate education fund established under  
13 section 467-19 in the same manner as are the funds of the  
14 employees' retirement system of the State. The interest and  
15 earnings from these investments shall be deposited to the credit  
16 of the condominium education trust fund.

17 (d) The commission shall annually submit to the  
18 legislature, no later than twenty days prior to the convening of  
19 each regular session:

20 (1) A summary of the programs funded during the prior  
21 fiscal year and the amount of money in the fund[+],  
22 including a statement of which programs were directed



1           specifically at the education of condominium owners;  
2           and  
3           (2) A copy of the budget for the current fiscal year,  
4           including summary information on programs that were  
5           funded or are to be funded[-] and the target audience  
6           for each program. The budget shall include a line  
7           item reflecting the total amount collected from  
8           condominium associations."

9           SECTION 12. The director of finance shall transfer the  
10          unexpended balance, including encumbrances and accrued  
11          liabilities, of the condominium management education fund  
12          respectively established, managed, and containing payments  
13          pursuant to sections 514A-40(c), 514A-131, 514A-132, and  
14          514A-133, Hawaii Revised Statutes, existing as of the effective  
15          date of this Act to the credit of the condominium education  
16          trust fund as provided in sections 514B-71, 514B-72, and  
17          514B-73, Hawaii Revised Statutes, upon the effective date of  
18          this Act. Encumbered moneys shall continue to be encumbered  
19          until paid out or released from prior encumbrances.

20          SECTION 13. Any unencumbered and unexpended balance  
21          existing as of the effective date of this Act in the condominium  
22          management education fund established under chapter 514A, Hawaii



1 Revised Statutes, shall be deposited into the condominium  
2 education trust fund established under chapter 514B, Hawaii  
3 Revised Statutes, and shall be held in trust by the real estate  
4 commission for carrying out the purpose of the condominium  
5 education trust fund.

6 SECTION 14. Until the real estate commission and the  
7 director of the department of commerce and consumer affairs  
8 amend the rules pursuant to chapter 91, Hawaii Revised Statutes,  
9 to change the name of the condominium management education fund,  
10 references to the condominium management education fund in the  
11 Hawaii Administrative Rules shall be deemed to be references to  
12 the condominium education trust fund.

13 SECTION 15. This Act shall be amended to conform to all  
14 other acts passed by the legislature during the regular session  
15 of 2009, whether enacted before or after the effective date of  
16 this Act, unless the other acts specifically provide otherwise.

17 SECTION 16. The revisor of statutes shall replace the term  
18 "condominium management education fund" or like term whenever it  
19 may appear in the Hawaii Revised Statutes, with the term  
20 "condominium education trust fund."



1 SECTION 17. This Act does not affect rights and duties  
2 that matured, penalties that were incurred, and proceedings that  
3 were begun, before its effective date.

4 SECTION 18. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 19. This Act shall take effect on July 1, 2009.

APPROVED this 17 day of JUN, 2009



GOVERNOR OF THE STATE OF HAWAII