A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

SECTION 1. Act 181, Session Laws of Hawaii 2017, is amended by amending section 45 to read as follows:

"SECTION 45. Condominium property regimes created prior to July 1, 2006, that were issued an effective date pursuant to sections 514A-40 and 514A-41, Hawaii Revised Statutes, may be sold on or after January 1, 2019, without revising any of the governing documents; provided that the developer's public report was active on January 1, 2019, and is non-expired, and accurate and not misleading. On between January 1, 2019, and July 1, 2020, pursuant to sections 514A-40 and 514A-41, Hawaii Revised Statutes, developer's public reports shall be treated as non-expiring chapter 514B, Hawaii Revised Statutes. Chapter 514A, Hawaii Revised Statutes, developer's public reports shall be treated as non-expiring chapter 514B, Hawaii Revised Statutes, developer's

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reports on the first day their respective report was accurate and had an active effective date between January 1, 2019, and July 1, 2020. Should any pertinent or material changes, or both, occur to the condominium project, the developer shall file [an amended] a developer's public report superseding all prior reports pursuant to chapter 514B, Hawaii Revised Statutes; provided that such projects and their subsequent reports filed under chapter 514B, Hawaii Revised Statutes, shall be exempt from the conversion requirements under section 514B-84(a)(1) and (2), Hawaii Revised Statutes. [Condominium] On July 1, 2020, condominium property regimes created prior to July 1, 2006, that were not issued an effective date pursuant to sections 514A-40 and 514A-41, Hawaii Revised Statutes, [and] did not file a notice of intent pursuant to section 514A-1.5(2)(B), Hawaii Revised Statutes, or have an effective dates expired prior to January 1, 2019, shall revise their governing documents and register under chapter 514B, Hawaii Revised Statutes, for a developer to offer for sale or to sell condominiums.

Nothing contained in this Act or in the condominium property act shall be deemed to invalidate any condominium
property regime that was validly created under chapter 514A, Hawaii Revised Statutes, prior to July 1, 2006."

SECTION 2. Notwithstanding section 2 of Act 181, Session Laws of Hawaii 2017, and subject to section 3 of this Act, the following sections of chapter 514A, Hawaii Revised Statutes, shall remain operative in the form in which they read on December 31, 2018, until June 30, 2020, for the sole purpose of providing developers with sufficient time to update their developer's public reports and associated documents in order to qualify for the safe harbor provisions of section 45 of Act 181, Session Laws of Hawaii 2017, as amended by this Act:

Part I. General Provisions and Definitions

514A-1 Title
514A-1.5 Applicability of chapter
514A-1.6 Conformance with county land use ordinances
514A-2 Chapter not exclusive
514A-3 Definitions
514A-4 Status of apartments
514A-5 Ownership of apartments
514A-6 Separate taxation

Part II. Creation, Alteration, and Termination
of Condominiums

514A-11 Recordation and contents of declaration
514A-12 Copy of the floor plans to be filed
514A-13 Common elements
514A-13.6 Mailboxes for each dwelling required
514A-14 Parking stalls
514A-14.5 Ownership of parking stalls
514A-15 Common profits and expenses
514A-15.1 Common expenses; prior late charges
514A-15.5 Metering of utilities
514A-16 Liens against apartments; removal from lien; effect of part payment
514A-17 Contents of deeds or leases of apartments
514A-18 Blanket mortgages and other blanket liens affecting an apartment at time of first conveyance or lease
514A-19 Merger of increments
514A-20 Condominium property regimes
514A-21 Removal from provisions of this chapter

Part III. Registration and Administration

514A-32 Questionnaire and filing fee
1. 514A-33 Inspection
2. 514A-34 Inspection expenses
3. 514A-35 Waiver of inspection
4. 514A-36 Public reports and registration fees
5. 514A-38 Request for effective date or hearing by developer
6. 514A-40 Final reports
7. 514A-41 Supplementary public report
8. 514A-42 True copies of public report; no misleading information
9. 514A-43 Automatic expiration of public reports; exceptions
10. 514A-44 Deposit of fees
11. 514A-45 Supplemental regulations governing a condominium property regime
12. 514A-46 Investigatory powers
13. 514A-47 Cease and desist orders
14. 514A-48 Power to enjoin
15. 514A-49 Penalties
16. 514A-50 Limitation of action
17. Part IV. Protection of Purchasers
SECTION 3. On July 1, 2020, the authority to extend the operation of the listed sections of chapter 514A, Hawaii Revised Statutes, that is provided under section 2 to allow developers to qualify for the safe harbor provisions of section 45 of Act 181, Session Laws of Hawaii 2017, as amended by this Act, shall expire.

SECTION 4. This Act shall take effect upon its approval.
Report Title:
Condominiums; Condominium Property Regimes; Extension

Description:
Revives for 1 year specified sections of repealed chapter 514A, HRS, to allow developers whose condominium property regimes were issued an effective date pursuant to sections 514A-40 and 514A-41, HRS, to update their public reports without revising any of the associated documents and have their public reports and disclosure abstracts treated as non-expiring developer's public reports under part IV of chapter 514B, HRS.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.