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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. The legislature finds that homeowners who  
2           subdivide their property into as few as two units under a  
3           condominium property regime are considered developers under  
4           chapter 514B, Hawaii Revised Statutes. Section 514B-58, Hawaii  
5           Revised Statutes, requires developers to file an annual report  
6           and pay a corresponding annual fee of \$50 until all units have  
7           been sold. This law has unduly burdened homeowner-developers  
8           who permanently reside in one of the units and therefore cannot  
9           satisfy the requirement of selling every unit to discontinue  
10          filing an annual report and paying the annual fee.

11          The purpose of this Act is to relieve from the burden of  
12          filing annual reports and paying the corresponding \$50 filing  
13          fee every year those individual homeowners who previously  
14          subdivided their property into not more than two units, live in  
15          one of the units, and have sold the other unit.

16          SECTION 2. Section 514B-58, Hawaii Revised Statutes, is  
17          amended by amending subsection (b) to read as follows:



1           "(b) The developer, its successor, or assign shall be  
2 relieved from filing annual reports pursuant to this section  
3 when the initial sales of all units have been completed[-];  
4 provided that, for any development:

- 5           (1) That consists of not more than two units;
- 6           (2) In which one of the units is the principal place of  
7           residence of the developer, its successor, or assign;  
8           and
- 9           (3) For which the initial sale of the other unit has been  
10           completed,

11 all units shall be considered sold and not subject to this  
12 subsection."

13           SECTION 3. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15           SECTION 4. This Act shall take effect upon its approval.

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# H.B. NO. 2195

**Report Title:**

Condominium; Developer; Annual Report; Homeowner

**Description:**

Provides that any unit in a development that consists of not more than 2 units and occupied for 1 year by the developer, its successor, or assign as the principal place of residence shall be considered sold for purposes of satisfying a developer's annual report requirement.

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

