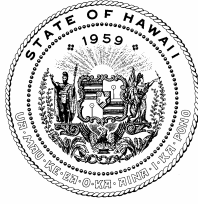


NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR



KEALI'I S. LOPEZ
DIRECTOR

CELIA C. SUZUKI
LICENSING ADMINISTRATOR

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REAL ESTATE BRANCH
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
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March 5, 2013

MEMORANDUM

TO: Condominium Associations and Unit Owners
Developers, Developer Attorneys, and Other Interested Parties

FROM: Real Estate Commission

SUBJECT: Condominium Associations Per Unit Condominium Education Trust Fund (CETF) Fees
Condominium Developers Condominium Project Registration and Per Unit CETF Fees

Following completion of the rule making process and procedures, including a public hearing, on December 21, 2012, the Governor approved new fees for:

- Registering a condominium project created after July 1, 2006 (fees are the same as those imposed during the interim period);
- Condominium associations' per unit fee payable to the CETF every biennial (two year) registration; and
- Condominium developers' CETF Fee for each unit in the project.

The new fees became effective December 31, 2012.

Highlights of the new fees are (**new fees are bolded**; deleted fees are bracketed):

§16-53-16.8 Condominium property regimes. The fees for condominium property regimes shall be as provided in this section:

(1) [Project] For each project registration and each developer-prepared public [reports:] report:

- • •
- (H) Amendment to each developer-prepared public report **\$75**
- (I) Amended developer-prepared public report (full amended report) **\$75**
- (J) Annual report **\$50**
- • •

(4)	Condominium education trust fund:	
(A)	Annual association fee per apartment	[\$2] 3.50
(B)	Biennial association fee per apartment	[\$4] 7
(C)	Developer fee per apartment	[\$5] 10

(See attachment for complete fee information)

The new condominium project registration and application fee are applicable to the registration of condominium projects created after July 1, 2006 (the effective date for the recodification of the original condominium law). Act 93 (SLH 2005) allowed the Real Estate Commission to collect the same fees as those required for registering a condominium project prior to July 1, 2006 until such time as the director of DCCA adopted fees for those condominiums created after July 1, 2006. The new fees are the required adopted fees.

The fee structure for the CETF fee was established over 20 plus years ago. The old revenue fee structure no longer generates sufficient funds to meet the cost of financing and promoting those educational purposes mandated by the condominium law (§514B-71, HRS).¹ For the benefit of the condominium community and those required to be registered under the condominium law, the new CETF fee provides for much needed current revenue for meeting the cost of financing and promoting those educational purposes mandated by the condominium law (§514B-71, HRS).

¹ **[§514B-71] Condominium education trust fund.** (a) The commission shall establish a condominium education trust fund that the commission may use for educational purposes. Educational purposes shall include financing or promoting:

- (1) Education and research in the field of condominium management, condominium project registration, and real estate, for the benefit of the public and those required to be registered under this chapter;
 - (2) The improvement and more efficient administration of associations; and
 - (3) Expedient and inexpensive procedures for resolving association disputes.
- (b) The commission may use any and all moneys in the condominium education trust fund for purposes consistent with subsection (a). [L 2005, c 93, pt of §3]

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Amendment to Chapter 16-53,
Hawaii Administrative Rules

September 28, 2012

SUMMARY

§16-53-16.8 (1), (3), and (4) are amended.

§16-53-16.8 Condominium property regimes. The fees for condominium property regimes shall be as provided in this section:


- (1) For each project registration and each developer-prepared public report:
 - (A) Application fee \$ 250
 - (B) Notice of intention registration fee \$ 250
(the application fee shall be credited to this registration fee)
 - (C) Subsequent public report fee \$ 150
 - (D) Supplementary public report fee \$ 75
 - (E) Public report extension fee \$ 50
 - (F) Two apartment no expiration; exception \$ 100
 - (G) Condominium consultant fee for the review and examination of a project registration application, a developer-prepared public report, any amendments to the developer-prepared public report, and the developer's submitted documents and information shall be determined by an agreement between the director and the condominium consultant.
 - (H) Amendment to each developer-prepared public report \$ 75
 - (I) Amended developer-prepared public report (full amended report) \$ 75
 - (J) Annual report \$ 50
- (2) Condominium managing agent:
 - (A) Application fee \$ 50
 - (B) Original registration fee
 - (i) First year of the biennium \$ 100
 - (ii) Second year of the biennium \$ 50
 - (C) Biennial re-registration fee \$ 100
 - (D) Compliance resolution fund:
 - (i) Compliance resolution fund fee \$ 35
 - (ii) Annual compliance resolution fund fee \$ 35
 - (iii) Biennial compliance resolution fund fee \$ 70
 - (E) Application for bond alternative or bond exemption fee:
 - (i) Original application \$ 50
 - (ii) Biennial application \$ 50
- (3) Condominium association:
 - (A) Application fee \$ 25

§16-53-16.8

- (B) Initial biennial registration fee \$ 50
(the application fee shall be credited to this registration fee)
- (C) Biennial reregistration fee \$ 50
- (D) Application for bond exemption or bond alternative fee:
 - (i) Original application \$ 50
 - (ii) Biennial re-registration \$ 50
- (4) Condominium education trust fund:
 - (A) Annual association fee per apartment \$ 3.50
 - (B) Biennial association fee per apartment \$ 7
 - (C) Developer fee per apartment \$ 10
[Eff and comp 11/25/88; am and comp 12/21/89; am and comp 10/4/91; am and comp 6/10/94; am and comp 7/18/94; am and comp 6/13/00; comp 11/22/02; comp 7/21/08; comp 9/2/10; am DEC 3 1 2012] (Auth: HRS §§26-9) (Imp: HRS §§26-9, 514A-32, 514A-36, 514A-37, 514A-38, 514A-39.5, 514A-40, 514A-41, 514A-43, 514A-95, 514A-95.1, 514B-52, 514B-54, 514B-56, 514B-58, 514B-64, 514B-71, 514B-72, 514B-73, 514B-103, 514B-132)

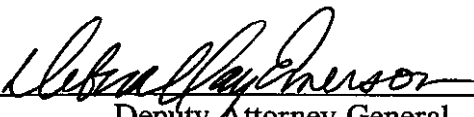
Amendments to chapter 16-53, Hawaii Administrative Rules, on the Summary page dated September 28, 2012, were adopted on September 28, 2012, following a public hearing held on September 14, 2012, after public notices were given in the Honolulu Star-Advertiser, The Maui News, The Garden Island, West Hawaii Today, and Hawaii Tribune-Herald on August 12, 2012.

These amendments shall take effect ten days after filing with the Office of the Lieutenant Governor.




KEALI I. S. LOPEZ, Director
Department of Commerce and Consumer Affairs

APPROVED AS TO FORM: Date 12/10/12



Deputy Attorney General

APPROVED: Date 12.20.12



NEIL ABERCROMBIE
Governor
State of Hawaii

Filed

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