

29TH ANNUAL LAW SEMINAR

Thursday, November 5, 2026
Noon to 1:30 p.m.

Janelle Lau, Esq.



29TH ANNUAL LAW SEMINAR

November 5, 2026

AGENDA

Noon	Welcome & Introductions	Janelle Lau, Esq.
12:05 PM	Do's and Don'ts of Construction Repair Contracts	William McKeon, Esq.
12:30 PM	Board's Duties in Building Community Owners Enjoy Living In	Melanie Oyama, Esq.
12:55 PM	Legislative Update	Julie Sparks, Esq.
1:20 PM	Insurance Premium Pricing for '27 & Steps to Reduce Premiums	Sue Savio
1:45 PM	Closing	Janelle Lau, Esq.

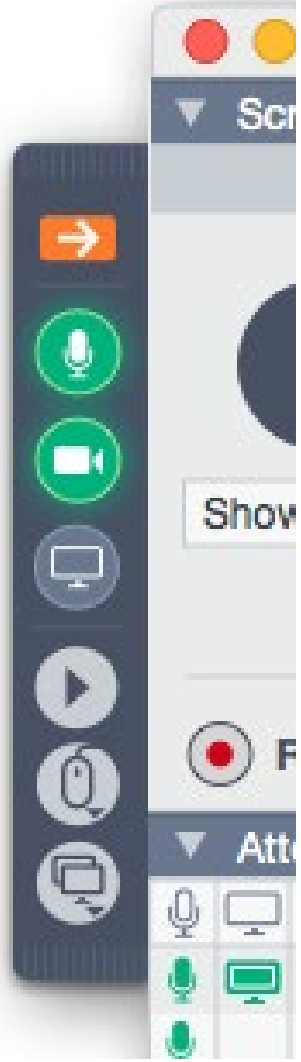
Mahalo

Milton Motooka
Motooka Oyama & Lau



Richard Ma
Presentation Resources





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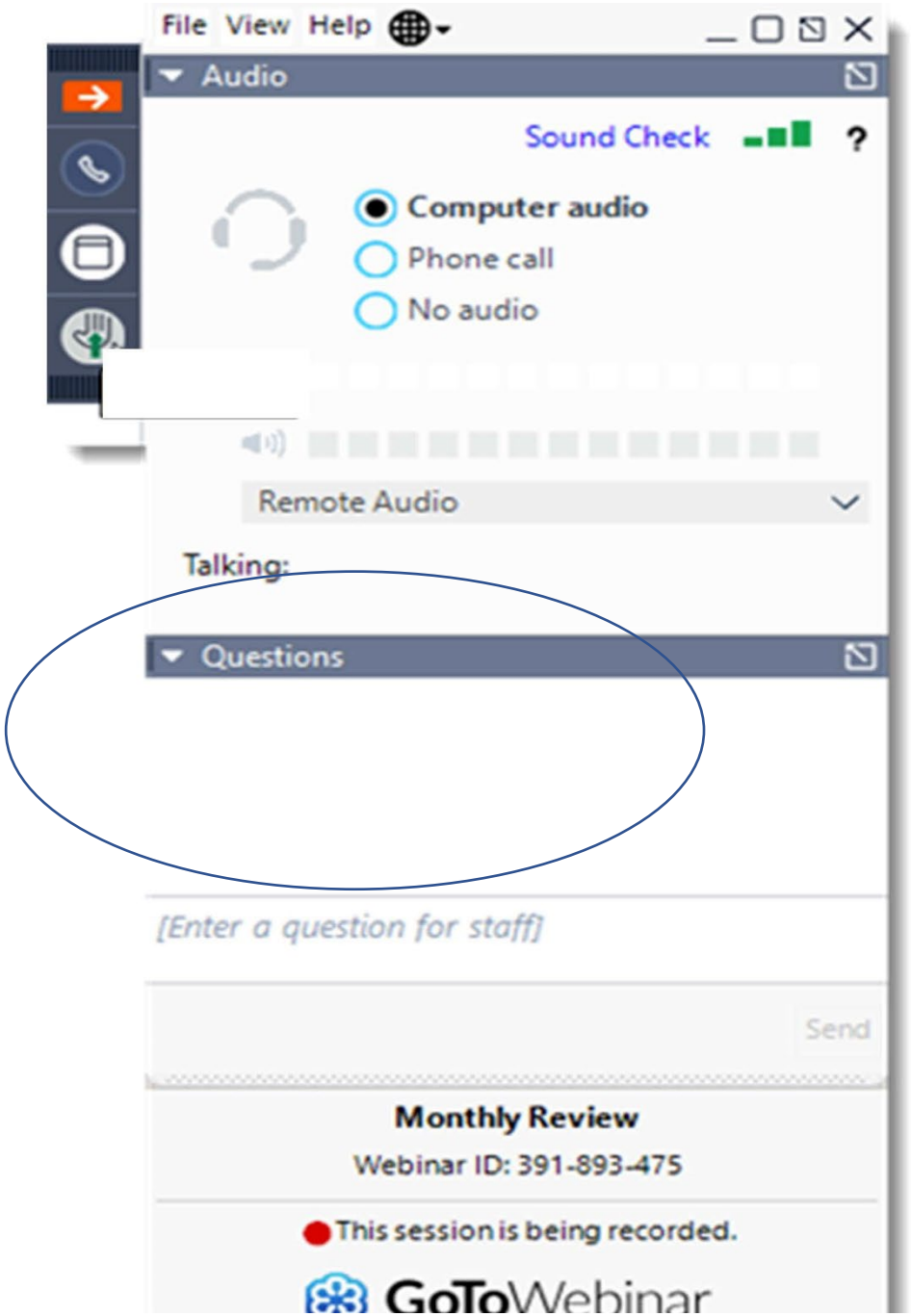


Near the bottom of menu in control panel – one handout – pdf file



Submit them using the GoToWebinar Tool "Questions"

Answers to be emailed





This program has been approved by the Community Association Managers International Certification Board (CAMICB) for 1.5 credit hours to fulfill continuing education requirements for CMCA® certification.

OUR SPEAKERS



William McKeon, Esq.



Melanie Oyama, Esq.



Julie Sparks, Esq.



Sue Savio

Our Speakers



William M. McKeon, Esq. is a partner with Berding | Weil LLP and has represented clients in Hawai‘i for more than four decades in complex construction defect, real estate, and business litigation matters. Over the course of his career, Mr. McKeon has tried and arbitrated numerous cases to verdict and has helped recover more than $250 million for his clients, including significant settlements on behalf of condominium associations and commercial property owners.

Mr. McKeon also represents over 350 victims in the litigation arising from the devastating 2023 Lahaina wildfires on Maui, including condominium associations and owners, and businesses, in one of the largest disaster-related cases in Hawai‘i’s history.

He has been recognized among Hawai‘i’s Best Lawyers for Construction Litigation by Honolulu Magazine and has earned Martindale-Hubbell’s AV Preeminent rating, reflecting the highest level of professional excellence and ethical standards.

Mr. McKeon received his J.D. from Loyola Law School in Los Angeles and his B.S. in Biology from Loyola Marymount University. He is admitted to practice in Hawai‘i and California, as well as the U.S. District Court for the District of Hawai‘i and the U.S. Court of Appeals for the Ninth Circuit.

Our Speakers



Melanie Oyama, Esq. is a Partner with Motooka Oyama & Lau, LLLC. Her primary practice areas are general counsel and delinquency collections for Condominium and Community Associations.

Melanie earned her Juris Doctor at Arizona Summit School of Law in 2015. She completed a three-year juris doctor program in just over two years, including courses in Ireland. Prior to attending law school, Melanie received her Bachelors in Justice Administration from Hawaii Pacific University in 2013. Prior to and while earning her B.A. degree, Melanie worked for Motooka & Rosenberg for thirteen and a half years as a paralegal.

She has been the Co-Chair for CAI Hawaii's Programs Committee since 2018 and this is her sixth year as Co-Chair of CAI's Board Leadership Development Workshop. She also currently serves as Chair for CAI Hawaii's Finance/Revenues Committee and is currently President of CAI Hawaii's Board of Directors. She was awarded the Richard M. Gourley Distinguished Service Award for her contribution to the community association industry.

Our Speakers



Julie Sparks, Esq. – Julie is the newest partner at Motooka Oyama & Lau, LLLC. (MOL). She earned her Juris Doctor at William S. Richardson School of Law in 2014, and has a BA in Journalism from Central Michigan University.

Julie has been affiliated with MOL either full or part-time since 2017. In 2019, she served as the Legislative Attorney Director of Research for the Hawaii House of Representatives Minority Research office. She also previously served as a Legislative Analyst for the Senate Minority Research Office.

Prior to returning to MOL full time in 2022, Julie worked as a State Outreach Associate for the Mercatus Center, a research institute affiliated with George Mason University in Arlington, Virginia. Julie has been a licensed Real Estate Broker in Hawaii since 2005. Her practice at MOL is primarily focused on General Counsel and Delinquency Collections matters and she continues to keep track of pending legislation that may impact Associations.

Our Speakers



Ms. Savio has been President and Owner of Insurance Associates, a kama'aina insurance agency, since 1975. Insurance Associates specializes in providing insurance services for Condominiums, Cooperatives, Homeowners Associations and similar developments. Insurance Associates today represents over 1000 community associations throughout Hawaii.

Ms. Savio has served as President of the Hawaii Independent Insurance Agents Association (HIIA), has served as the President of Community Associations Institute (CAI) Hawaii, and has served on their board in different capacities for several terms since 2000.

She was awarded the Richard M. Gourley Distinguished Service Award for her contribution to the community association industry in insurance. She currently serves on the boards of two condominium associations. You may reach her at (808) 526-9271 or by e-mail at sue@insuringhawaii.com.

MOTOOKA OYAMA & LAU
2026 LAW SEMINAR

REPAIR CONTRACTS

Do’s and Don’t’s

BERDING | WEIL

BERDING | WEIL



Bill McKeon

Partner

Kyle Pineo

Associate

WHY GETTING THE REPAIR CONTRACT RIGHT MATTERS

BERDING | WEIL
ATTORNEYS AT LAW

Lessons from Failure



Champlain Towers South, Surfside



Surfside, Florida | June 24, 2021

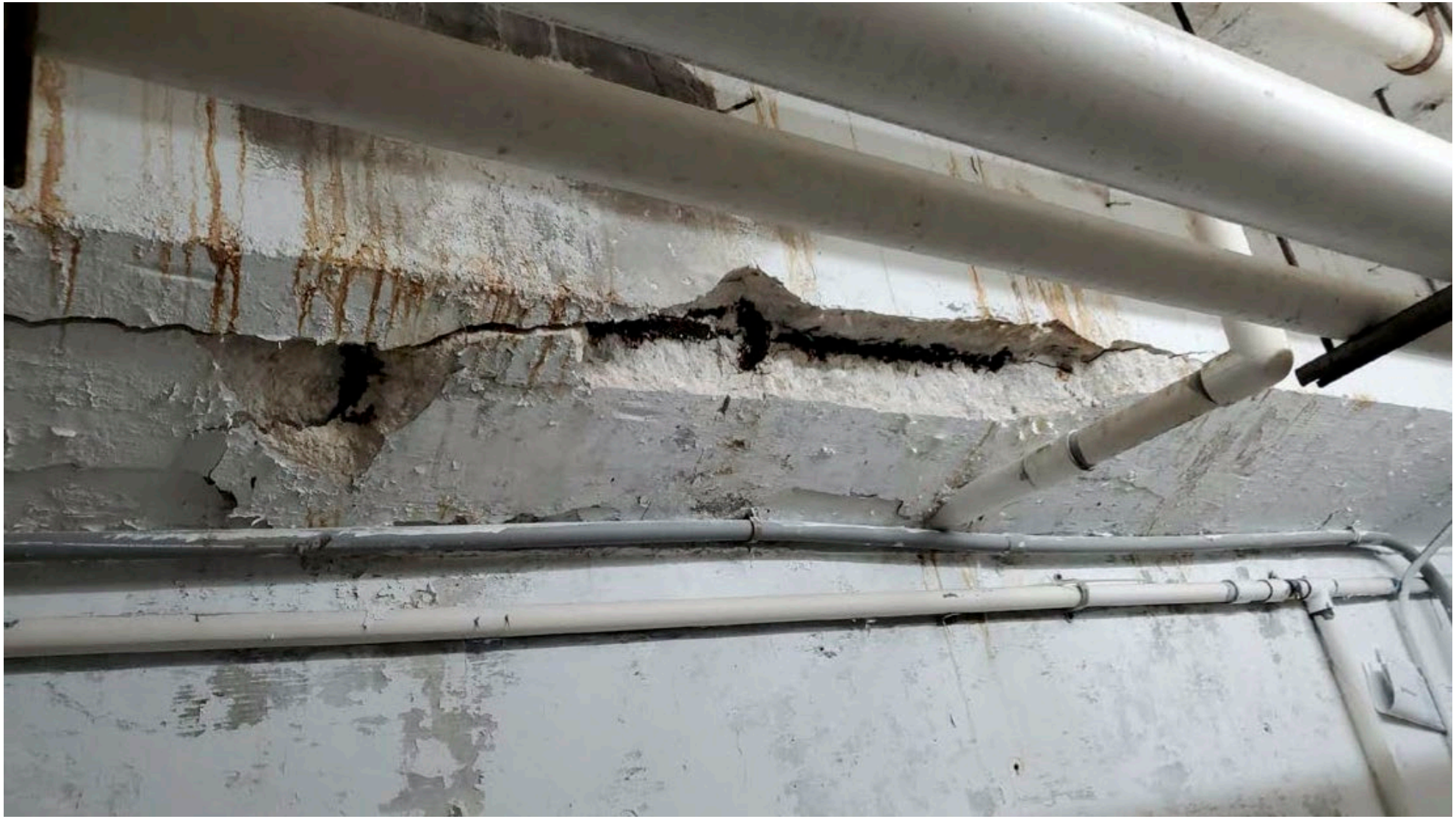
Champlain Tower South collapsed killing 98 people in the middle of the night

No previous signs of distress or damage

CAUSES:

- Long-term degradation of reinforced concrete structural supports
- Water penetration and corrosion of reinforcing steel


© splashnews.com



The Shores of Maui



Kihei, Maui | June 14, 2026

50 year old condominium

Balcony collapses injuring 6 people.

Second story lanai detached from the building.

Guest review from 2023 reported balcony was unstable.

Official cause still under investigation. Visible failure was sudden. Deterioration may not have been.

The Berkeley Balcony Collapse



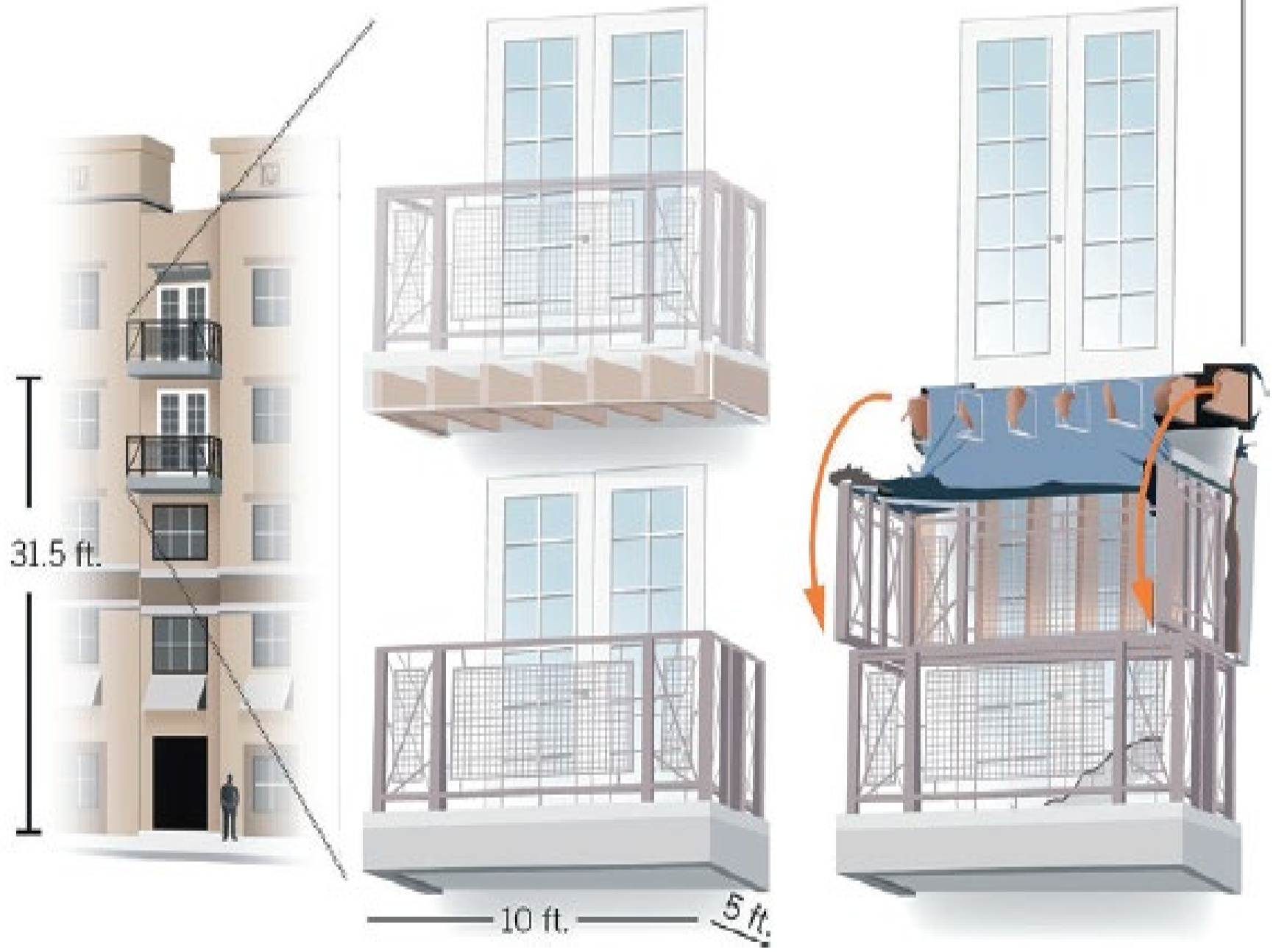
Berkeley, California | June 16, 2015

Balcony collapses killing six college students

No previous signs of distress or damage

CAUSES:

- Contractor used cheaper, weaker material than plans specified.
- Material became waterlogged after a sub-subcontractor failed to install waterproofing membrane to keep out moisture.


31.5 ft.
10 ft.
5 ft.



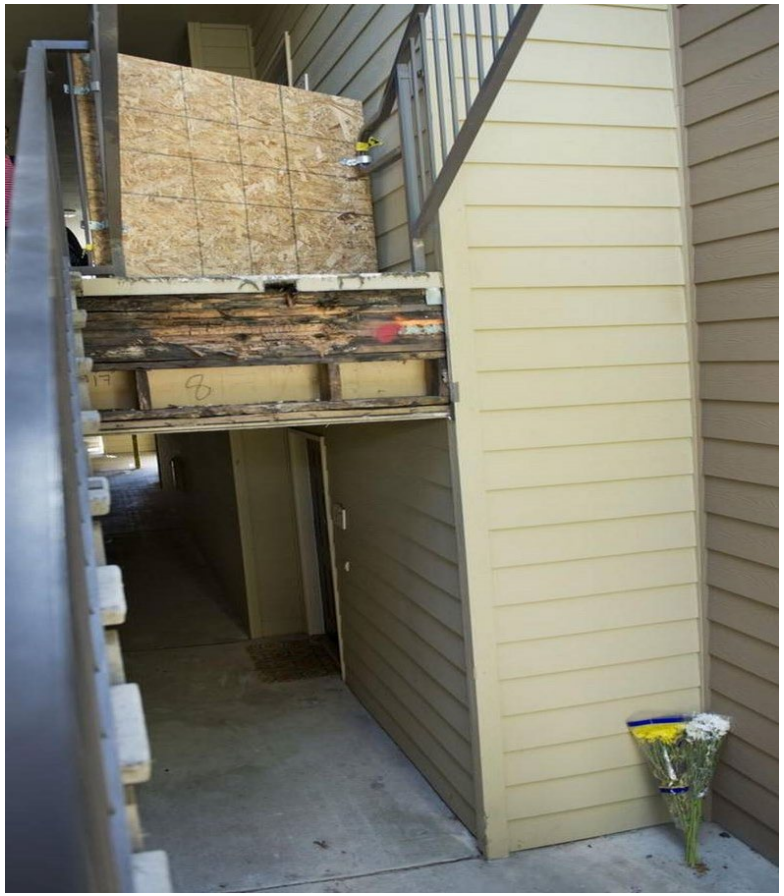


Other Balcony / Deck Damage





Folsom Staircase Collapse



Folsom, California | July 6, 2015

Exterior staircase collapsed killing a 26 year old

Other staircases propped with temporary shoring

CAUSES:

- Dry rot from water intrusion


917

Other Stairway / Landing Damage





TOP 10 LIST OF

REPAIR CONTRACT

DO’s and DON’T’s

Number 1

Repair Contract DO's and DONT's

Read the Bloody Contract ! ! !

The Entire Contract – Not Just Cost

This is the Single Most Important DO!

Number 2

Repair Contract DO's and DONT's

Have Your Attorney Review The Contract

Don't Use a Board Member

Don't Rely on AI

Number 3

Repair Contract DO's and DONT's

DO vet the contractor -- PVL

Entity Status

License

Complaint History

Number 4

Repair Contract DO's and DONT's

DO Understand the Fine Print

Liability Limitations

Reps/Warranty Waiver

Number 5

Repair Contract DO's and DONT's

DO Understand the Fine Print

Remedy Limitations

Number 6

Repair Contract DO's and DONT's

DO Understand the Fine Print

Defend

Indemnify & Hold Harmless

Number 7

Repair Contract DO's and DONT's

DO Understand the Fine Print

Remedy Limited to Contract

Number 8

Repair Contract DO's and DONT's

DON'T Blindly Accept Low Bid

Number 9

Repair Contract DO's and DONT's

Avoid Change Orders



Number 10

Repair Contract DO's and DONT's

Do Get 80% Complete Drawings

Repair Contract DO's and DONT's

Conclusion:

Read and Understand Contract

Hire and Use Good Professionals

Vet Contractors

BERDING | WEIL

FIDUCIARY DUTIES
FOR BOARD MEMBERS

A Practical Guide for Community Association Directors

By: Melanie K. Oyama, Esq.
Motooka Oyama & Lau, LLLC

AGENDA

01 **What Is a Fiduciary?**
Definition and the relationship of trust

02 **Legal Foundation**
Hawaii statutes and director standards

03 **The Four Core Duties**
Care, Loyalty, Good Faith & Obedience

04 **Practical Tips**
How to fulfill your responsibilities effectively

05 **Risk Areas**
Conflicts, confidentiality & authority limits

06 **Key Takeaways**
Checklist for responsible board service

WHAT IS A FIDUCIARY?



Legal Definition

When one person is entrusted with the responsibility to control the decisions, interests, or property of another, a fiduciary responsibility arises out of this relationship.

Relationship of Trust

The membership entrusts the board with power to make decisions for the benefit of the entire community.

Volunteer Status Does Not Reduce Duty

The law does not diminish this responsibility simply because a board member serves without compensation.

THE FIDUCIARY RELATIONSHIP

Board members, as fiduciaries, must subordinate their personal interests when taking action and ensure that all actions are consistent with the best interest of the Association.



Membership Trust

Owners elect directors and place confidence and trust in them to act in the best interests of the community.

Special Relationship

Directors control Association affairs that affect the lives and property of all members — creating a fiduciary duty.



Legal Standard

Duties must be fulfilled in good faith, in the best interest of the association, and with the care a prudent person would use.

LEGAL FOUNDATION — HAWAII LAW

HRS § 514B-106

In the performance of their duties, officers and members of the board shall owe the association a fiduciary duty and exercise the degree of care and loyalty required of an officer or director of a corporation organized under chapter 414D.

Condo Property Act

HRS § 414D-149

A director shall discharge duties:

(1) In good faith;
(2) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
(3) In a manner the director reasonably believes to be in the best interests of the corporation.

Hawaii Nonprofit Corporations Act

THE FOUR CORE DUTIES

Duty of Care (and Due Diligence)

Act as a reasonably prudent person. Be informed, research issues, ask experts, monitor operations, and maintain checks and balances.

Duty of Loyalty

Put the Association's interests first. Avoid personal gain and even the appearance of a conflict of interest.

Duty of Good Faith (and Fair Dealing)

Act with honesty and fair dealing, in the best interests of the association, and without ulterior motive.

Duty of Obedience

Know and follow the law and governing documents. Do not exceed authority. Ask when unsure.

DUTY OF CARE (AND DUE DILIGENCE)

Directors should act as a reasonably prudent person under similar circumstances.

Be Informed

Know legal documents, state and local laws. Stay current on Association affairs.

Research Complex Issues

Take time to understand complicated matters before acting.

Consult Experts

Seek qualified professionals (legal, accounting, engineering, insurance) when needed.

Monitor & Follow Up

Do not simply delegate and forget. Implement controls and checks.

Institutional Knowledge

Review past minutes. Outgoing boards should brief incoming boards.

Due Diligence

Courts have found boards negligent for “unreasonable” decisions made without adequate information.

DUTY OF LOYALTY

Board members owe an undivided duty of loyalty to the Association and its membership.

No Personal Interest

A director breaches this duty when acting in his or her own interest or with a conflicting interest — financial or otherwise (including ego or psychological benefits).

Recusal Required

If you cannot perform your responsibilities with undivided loyalty (i.e., a conflict of interest), you are required by law to recuse yourself from any related vote.

Appearance of Impropriety

If there may be an appearance of conflict but no real conflict, disclose the circumstances on the record and state why your loyalty is not compromised or simply recuse yourself from voting.

Association First

The Association’s interests must always come before personal interests. Directors should not use their position for personal gain.

DUTY OF GOOD FAITH (AND FAIR DEALING) & OBEDIENCE

Duty of Good Faith (and Fair Dealing)

- Act with honesty and fair dealing
- Always in the best interests of the Association
- No ulterior motives
- Genuine belief that actions serve the community
- Transparent and sincere decision-making

Duty of Obedience

- Know and follow the law
- Know and follow governing documents
- Do not exceed your authority
- When unsure — ask counsel or management
- Stay within the scope of Board power

PRACTICAL TIPS FOR EFFECTIVE SERVICE

Six practices that demonstrate commitment to fiduciary duties and respect for the Association and its residents.

1. **Be Informed**
2. **Get the Facts**
3. **Make a Decision**
4. **Maintain Confidentiality**
5. **Open Board Meetings & Minutes**
6. **Maintain Open Communication**

TIP 1 — BE INFORMED

1. **Know Your Documents**
   Declaration, Bylaws, Rules & Regulations, and any amendments.

2. **Know the Law**
   State and local laws that protect homeowners in community associations are increasing.

3. **Rising Complaints**
   Insurance companies document rising claims against associations and boards — knowledge is protection.

4. **Use Your Manager**
   Your Community Association Manager is required to have this knowledge and can guide you or recommend counsel.

5. **Build Institutional Knowledge**
   Read past minutes. Outgoing boards should meet with incoming boards to transfer critical information.

6. **Due Diligence Standard**
   Courts have found boards negligent for making “unreasonable” decisions without adequate inquiry.

TIP 2 — GET THE FACTS

The issues before the board are often complicated. Board members must take the time to find out the facts before they take action.

Best Practices

- Seek information from qualified professionals
- Use board members with expertise as liaisons — not as unpaid service providers
- Request reports, opinions, and data before deciding
- Allow reasonable time for review and questions

Avoid These Pitfalls

- Tasking board members with professional services (legal, accounting, engineering, insurance)
- Relying solely on one person’s informal advice
- Rushing decisions without adequate information
- Ignoring conflicting data or expert warnings

TIP 3 — MAKE A DECISION

Inaction Creates Liability

A failure to act can create more liability exposure than a bad decision made with proper procedure. Courts tend not to second-guess business decisions of boards.

Comply with Documents

Ensure every decision aligns with the Association's governing documents and applicable law.

Uniform Application

Make decisions that apply uniformly to all owners in similar situations — avoid favoritism.

Document the Process

Record that the board obtained information, considered options, and acted in good faith.

Business Judgment Rule

Courts generally protect boards that act with proper procedure even if the outcome is imperfect.

TIP 4 — MAINTAIN CONFIDENTIALITY

Directors should presume that some materials and information received through their office are confidential.

Litigation Strategy

Never openly discuss strategic issues related to pending or ongoing litigation with non-board members.

Employment & Salaries

Personnel matters, compensation, and performance issues must remain confidential.

Delinquencies

Owner account status and collection matters are private and protected.

Disputes with Members

Sensitive disputes involving owners should stay within Executive Session and among authorized parties.

Attorney-Client Privilege

Only the Board as a whole can waive privilege. Sharing privileged communications outside the Board exposes directors to personal liability.

Insurance Risk

Breaching confidences can jeopardize Directors & Officers (D&O) insurance coverage for wrongful acts.

TIP 5 — BOARD MEETINGS & MINUTES

Know what should be open (regular) session and what are executive session topics.
Approved minutes are the official record that proves (or disproves) that the board fulfilled its duty of care, exercised good business judgment, and complied with documents and law.

DO

- Hold open Board meetings
- Follow Robert's Rules of Order, Newly Revised
- Record Board votes
- Note compliance with governing documents
- Phrase concerns carefully and factually

DON'T

- Never admit liability in the minutes
- Avoid conclusions of law
- Do not use executive session for inappropriate reasons
- Never use minutes to settle personal disputes
- Do not approve minutes you have not read

TIP 6 — MAINTAIN OPEN COMMUNICATION

Adopt Rules Openly

Adopt rules and regulations in an open and deliberate manner with opportunity for owner input.

Investigate Needs

Send questionnaires and gather information about what owners want and need.

Educate Committees

Ensure committees understand the rules and their role in supporting governance.

Seek Expert Input

Review information from qualified experts before finalizing major decisions.

Hold Board Meetings

Before adopting significant rules, hold Board meetings to discuss the proposals.

Distribute New Rules

Send new or revised rules and regulations to every owner and resident after adoption.

CONFLICTS OF INTEREST & RECUSAL

The Test

“Would a prudent person in a similar business, under similar circumstances, and after reasonable inquiry, make the same decision or take the same action as I am making?” If the answer is not a clear and convincing “yes,” go back to the drawing board.

Real Conflict

If you cannot act with undivided loyalty, recuse yourself from discussion and voting on the matter.

Appearance Only

Disclose the circumstances on the record and explain why your loyalty to the Association is not compromised.

Financial or Ego

Conflicts include financial gain and non-financial benefits such as ego or personal advantage.

Protect the Board

Proper handling of conflicts protects both the individual director and the Association as a whole.

ACTING WITHIN AUTHORITY

It is never appropriate for an individual director to take any action that may be construed as an action of the Board without the Board's knowledge and approval.

No Individual Authority

Being elected does not mean a director can do whatever they want. Authority comes from the Board as a whole.

Insurance Exposure

Actions outside the scope of authority are typically not covered by the Association's D&O insurance policy.

Apparent Authority

Even unauthorized individual actions can create the impression that the director speaks for the Board — exposing the entire Board.

Follow Procedures

Directors should not take independent actions and must follow the Board's established decision-making procedures.

BUSINESS JUDGMENT RULE & PROTECTION

Directors who comply with the statutory standards receive significant legal protection.

Good Faith Reliance

A director may rely on information, opinions, reports, or statements prepared by officers, employees, legal counsel, public accountants, or board committees — if the director reasonably believes them to be reliable and competent.

No Liability if Compliant

A director is not liable to the corporation, any member, or any other person for any action taken or not taken as a director, if the director acted in compliance with HRS § 414D-149.

Volunteer Protection

A director who serves without remuneration is not liable for damage, injury, or loss unless the person was grossly negligent in the performance of, or failure to perform, such duties.

Fact Finding

A court’s determination will most likely be based on the Board’s fact finding and decision-making process.

KEY TAKEAWAYS

1. You are a fiduciary — personal interests must yield to the Association's best interests.
2. Volunteer status does not reduce your legal duty of care, loyalty, good faith, or obedience.
3. Be informed, get the facts, and make timely decisions using proper process.
4. Protect confidentiality, especially regarding litigation, personnel, and owner matters.
5. Never act individually as if you are the Board — authority resides in the Board as a whole.
6. Disclose and properly handle conflicts; recuse when loyalty cannot be undivided.
7. Review minutes carefully; never admit liability or draw legal conclusions in the record.
8. Compliance with the statutory standards provides strong protection under the business judgment rule.

QUESTIONS?

Fiduciary duty is not merely a legal concept — it is the foundation of trust between the Board and the community it serves.

Serve with care. Act with loyalty. Decide in good faith.

2026 Legislative Update

Condominium & Planned Community Association Update

Enacted measures • County ordinances • Key bills that did not pass

Julie Sparks, Esq.

Limited Enacted Measures

Many bills introduced or carried over; few became law

Enacted (State)

HB 1824 — Act 100
Reserve study review waiver

HB1678 – Act 37 - Cumulative voting

SB 2061 — Act 121
99-Year Leasehold Program

Update to Hawaii Administrative Rules

County Actions

Maui Ordinance 6008
H-3 / H-4 hotel districts

Hawai‘i County TVR registration
Effective Sept 1, 2026

Did Not Pass

Ombudsman proposals

ADR / fee reforms

Loan & insurance support

Document & reserve changes

STATE ENACTED · ACT 100

HB 1824 — Reserve Study Review Waiver

Amends HRS § 514B-148(a) to create a limited waiver of the independent third-party reserve study review requirement for certain small condominium associations.

Criterion 1

Fewer than 20 units

The association must comprise fewer than 20 residential units.

Criterion 2

No more than two stories

Building(s) limited to two stories. Added during the process to address multi-story complexity concerns.

Both conditions are required. Associations that do not meet both criteria remain subject to the full triennial independent review requirement.

Signed June 5, 2026 | Effective upon approval

How the Waiver Works

Owner vote + mandatory conditions

Eligible associations may waive the triennial independent review by the affirmative vote of a majority of the unit owners present or represented at a duly noticed association meeting.

Annual disclosures continue

Association must still prepare and disclose annual reserve information under Chapter 514B.

Vote recorded & available

The waiver vote is recorded in association records and available to owners upon request.

Single three-year period

Waiver applies only to one three-year cycle; cannot cover consecutive periods.

No consecutive waivers

After a waiver, an independent review is required in the next cycle before another waiver is allowed.

HB 1678 — Cumulative Voting

Amends HRS 421J-3.2 and 514B-124.5 to clarify the conditions and procedures for cumulative voting in planned community associations and condominium associations.

Key Amendments – 421J-3.2

- Applies when election is held by cumulative voting pursuant to the bylaws
- Members multiply votes by number of positions; may give all to one candidate or distribute among any/all
- Default: cumulative voting not permitted unless provided in association documents
- "Candidate" means nominee or write-in candidate

HB 1678 — Cumulative Voting

Amends HRS 421J-3.2 and 514B-124.5 to clarify the conditions and procedures for cumulative voting in planned community associations and condominium associations.

Key Amendments – 514B-124.5

- Applies when election is held by cumulative voting pursuant to the bylaws
- Owners may cumulate votes and give all to one candidate or distribute among any/all
- Does not prevent filling board vacancies per chapter & governing documents
- "Candidate" means nominee or write-in candidate

SB 2061 — 99-Year Leasehold Program

Clarifies and strengthens the HCDA program

This law clarifies and amends provisions of the Ninety-Nine Year Leasehold Program administered by the Hawai‘i Community Development Authority (HCDA). The program intends to promote more affordable, owner-occupied condominium units on state- and county-owned land in urban redevelopment areas through long-term (99-year) leasehold sales.

Key Amendments to HRS Chapter 206E

- Prior statutory exclusion of renting/subleasing removed.
- First 60 days: units offered only to eligible owner-occupant buyers. HCDA sets duration and additional terms.
- At least 60% of residential units must be sold to households ≤140% area median income (raised from prior 50% threshold).
- After 60 days, unsold non-income-restricted units may be sold without owner-occupancy requirement.
- Owner of leasehold interest may sell the interest but must give HCDA first right of refusal.

Background: Bill 9 / Ordinance 5909

Phase-out of short-term rentals in apartment zones

Ordinance 5909 (Bill 9), signed December 2025, phases out short-term/transient vacation rentals (TVRs) in apartment-zoned (A-1 and A-2) condominium properties — primarily those on the “Minatoya List.”

West Maui

Phase-out deadline

January 1, 2029

Lahaina, Kāʻanapali, Kahana, Nāpili and surrounding areas

Rest of Maui County

Phase-out deadline

January 1, 2031

Including South Maui / Kīhei–Wailea and other areas

The Minatoya List

Historically grandfathered apartment-zoned TVR complexes

Named after former Deputy Corporation Counsel Richard Minatoya (2001 opinion). Properties treated as legal non-conforming uses that could continue short-term rentals without hotel zoning.

~100–104	~7,000	~6,000+
Complexes	Total units	Active TVR units

Qualification (historical)

- Building permit, SMA use permit, or PUD approval prior to April 20, 1989
- Documented history of short-term rental operation without a continuous break of more than one year
- Original development and marketing contemplated or allowed short-term use

Ordinance 6008 (Bill 88)

Effective June 22, 2026 | Creates H-3 and H-4 hotel districts

Creates two new hotel zoning districts as a targeted pathway for eligible Minatoya List properties to seek rezoning and continue short-term rental operations after the phase-out deadlines.

H-3 Hotel District

Lower-intensity counterpart to A-1 (Low-Density Apartment).

Reserved for units/structures that had been in A-1 where TVRs were permitted. Development standards largely track A-1 (e.g., lower height, coverage, FAR).

H-4 Hotel District

Higher-intensity counterpart to A-2 (Apartment).

Reserved for units/structures that had been in A-2 where TVRs were permitted. Higher intensity standards (e.g., greater height, coverage, FAR).

Next Steps

Ordinance creates districts — it does not rezone any property

Individual complexes (or Council via resolution) must still pursue a separate change-in-zoning application and any necessary community-plan amendments.

1	**Eligibility**	TVR use must be confirmable before Sept 24, 2020 (guards against non-Minatoya properties)
2	**Application**	Council-initiated resolutions or private association applications (often requiring owner majority/supermajority)
3	**Review**	Maui Planning Commission review; possible community-plan amendment
4	**Final action**	County Council decision; successful rezoning allows continued legal STR use after deadlines

TVR Registration System

Ordinance 25-50 (as amended) | Effective September 1, 2026

Establishes a mandatory countywide registration requirement for **all** Transient Vacation Rentals — the first time the County has required registration for hosted rentals (such as B&Bs) in addition to unhosted ones.

Definition of TVR

A furnished dwelling, dwelling unit, or room rented to guests for less than 180 consecutive days.

Registration Fees

Hosted TVR (B&B)

Initial: $250

Renewal: $100

Unhosted TVR (STVR)

Initial: $500

Renewal: $250

Hosting platforms

Initial: $1,000

Renewal: —

Purpose & Context

Oversight without changing underlying zoning

Improved oversight & tax collection

Registration strengthens tracking of state TAT + county TAT and compliance.

Enforcement

Fines up to $10,000 for operating without registration.

Zoning unchanged

Underlying rules (Ordinance 2018-114) still govern where TVRs may locate. Hosted rentals were previously less regulated.

Effective date path

Originally late 2025; postponed via subsequent ordinances to September 1, 2026.

Assistance Animals

Guidance issued May 22, 2026 | U.S. Department of Housing and Urban Development

The recently issued guidance does not change federal law but changes which complaints will be investigated by HUD.

Federal Fair Housing Act

HUD directs that only complaints related to trained service animals will be investigated and enforced.

Complaints of discrimination regarding untrained emotional support animals will not be investigated federally.

Hawaii State Law – Hawaii Civil Rights Commission

Hawaii law includes broader definitions of assistance animals, requiring accommodation of emotional support animals.

Hawaii Civil Rights Commission will still investigate complaints related to emotional support animals pursuant to state law.

Reserves, Registration, Independent Accountants

Guidance issued March 26, 2026 |

Reserves

Created a new set of administrative rules for replacement reserves with the goal of making the requirements clearer. Added or clarified key terms (e.g., minimum replacement reserve, reserve study as an annual physical + financial analysis, cash-flow plan limits).

Requires annual adjustments for inflation and interest, plus a formal good-faith standard for calculating and funding reserves.

Sets a clear start date for compliant budgets (the fiscal year after the first annual meeting).

Registration/Independent Accountants

Associations must register with the exact name that appears in its official declaration.

Clarifies the Board is legally responsible for registrations although they may delegate the task in writing to the managing agent.

Failure to provide evidence of continuous fidelity bond coverage throughout the entire biennial registration period results in automatic termination of the association's registration.

Requires Associations who use independent accountants or bookkeepers to annually adopt a resolution stating the Board accepts that:

- The accountant/bookkeeper is not a registered managing agent
- They have no fidelity bond
- They do not have access to Association funds
- They do not manage the project

The Resolution must be attached to the Association's registration

Ombudsman & Dispute Resolution

Multiple proposals advanced but none enacted

Ombudsman Proposals

- HB 890 / SB 1265 & related carry-overs — Dedicated Ombudsman's Office within DCCA for condo owners & associations.
- HB 2453 / SB 3309 — Similar dedicated office with fee increases for ongoing costs.
- HB 2041 — Ombudsman elements plus expanded Real Estate Commission investigation authority.
- None received hearings or became law in 2026.

ADR & Fee Reforms

- SB 146 — Expanded evaluative mediation; Trust Fund support; qualifications for mediators/arbitrators. Conferees discharged.
- SB 2037 — Limits on attorneys' fees for fines unless determined "collectable"; trial de novo cost-shifting.
- HB 1897 — Mandatory evaluative mediation for document disputes; clearer fee rules. Conference without final agreement.

Financing, Reserves & Governance

Additional measures that stalled or were deferred

HB 807 (carried over)

Condominium Loan Program and Loan Loss Reserves Program for maintenance/repair financing. Deferred in Ways and Means.

SB 804 (carried over)

Required premium discounts for risk-mitigation upgrades; actuarial justification for certain increases. Died in House committee.

SB 2300 & related

Sought to adjust cash-flow projection periods (e.g., 30 → 25 years). Deferred amid concerns about near-term funding burdens and transparency.

SB 2838 / SB 2810

Expanded electronic document access; required posting of general ledgers and RR105c online at no charge; reduced copy fees. Did not advance.

SB 2764

Clarified application of owner payments toward money judgments. Deferred in committee.

Key Takeaways for Associations & Owners

What matters most from the 2026 session

1. **Small associations gain flexibility**
   Eligible low-rise associations (<20 units, ≤2 stories) can waive the triennial independent reserve-study review under Act 100 — subject to owner vote and non-consecutive rule.

2. **Clarification on cumulative voting**

   Conditions and procedures for cumulative voting in planned community associations and condominium associations

3. **Maui TVR phase-out clock is running**
   Bill 9 deadlines remain; Ordinance 6008 only creates a rezoning pathway. Associations/owners must actively pursue change-in-zoning to preserve short-term rental rights.

4. **Big Island registration begins Sept 2026**

   All TVRs (hosted and unhosted) must register; platforms also required. Zoning rules themselves are unchanged.

5. **No ombudsman or major ADR reform in 2026**

   Despite multiple proposals, owners and boards still rely on existing Chapter 514B processes and private dispute-resolution options.

Thank you for attending

Please contact me with any questions: Julie@myhawaiilaw.com

Directors Roles/Pricing

Premium forecast 2027

Presented by:
Surita Savio, President
Insurance Associates, Inc.
November 2026

Agenda

- Role of Directors
- Pricing of D&O Insurance
- Pricing of all other lines
- Pricing of Property Insurance

Role of the Director

…. is to govern the community, manage finances, and maintain common areas in the best interest of all unit owners.

- **Financial Oversight:** Approving annual budgets, setting maintenance fees, managing reserve funds, and ensuring proper accounting records.
- **Property Maintenance:** Overseeing the upkeep, repair, and replacement of common elements and building assets.
- **Rule Enforcement:** Upholding the condo's governing documents, bylaws, and declarations fairly across the community.
- **Vendor Management:** Hiring, supervising, and working alongside contractors, service providers, and property managers.

Role of the Director

- **Duty of Care:** Making informed, reasonable, and active decisions by attending meetings and reviewing documents.
- **Duty of Loyalty:** Putting the community's overall welfare ahead of personal preferences or individual gains.
- **Duty of Obedience:** Ensuring the corporation stays compliant with local laws, acts, and the community's founding documents

Who is Covered?

- Past, present and future directors & officers
- Committee members
- Property management company
- Employees
- Volunteers

Pricing of D&O

- Mainly 5 D&O carriers

- Buy a broad policy and stay with that company until they drop you.
- Claims Made
- Prior Acts – tail coverage

- Buy coverage don't buy premium

Pricing on Other Lines

- General Liability w/ non-owned auto
- Umbrella – hard to secure
- Bond/Crime
- Commercial Auto
- Work Comp/TDI

Pricing on Property

- 2023 – Lahaina
- 2024 – Prices skyrocket
- 2025 – HHRF – $90M
- No hurricanes in America
- 2026 – Prices continue to drop
- Homeowner prices skyrocket

Pricing on Property

- Insurance Companies:
- Admitted vs. Non-Admitted
- Property Valuation:
- Co-Insurance,
- Agreed Amount,
- Blanket Limits Layering

Insurance Companies

- An **Authorized Insurance Company** (or *admitted carrier*) is an insurer that is licensed and approved by a state's Department of Insurance.
- Because they comply with state regulations, they offer two major consumer benefits:
  - Their policies are backed by state guaranty funds.
  - Policyholders can appeal claim decisions to the state.
- Hawaii's Authorized Insurance Companies for condos include First Insurance, Arch (Fireman's Fund), DB (Dongbu), State Farm and Zephyr

Insurance Companies

- **Non-Authorized Carriers** (also known as excess and surplus lines insurers) do not hold state licenses

- Non-Admitted carriers offer more flexibility and can insure high-risk or unique properties (such as wood frame townhomes in Hawaii), but…
  - They are not backed by the state guaranty fund
  - The Hawaii Insurance Commissioner has no authority to assist with appeals of claim decisions

Governing Documents

- Almost all Hawaii Condos have provisions in their Governing Documents (Declaration and Bylaws) that require the board to purchase insurance *as near as practicable to the full replacement cost thereof.*

J. INSURANCE - CASUALTY AND LIABILITY.

1. The Board, on behalf of the Association at its common expense, shall, at all times, keep the common elements, including without limitation the building, improvements and fixtures of the project, and, whether or not part of the common elements, all exterior and interior walls, exterior glass, floors and ceilings thereof, insured against loss or damage by fire and other such hazards, with extended coverage, and including flood insurance under the provisions of the Federal Flood Disaster Protection Act of 1973, if the project is located in an identified flood hazard area as designated by the Federal Department of Housing and Urban Development, in an insurance company or companies authorized to do business in the State of Hawaii in an amount as near as practicable to the full replacement cost thereof, without deduction for depreciation, which amount shall be sufficient to provide for the repair or replacement thereof in the event of such loss or damage, in the name of the Board as trustee for the Owner

Property Valuation

- Statement of Values
- Co-Insurance
- Agreed Amount
- Blanket Limits



Statement of Values

- A statement of values (SOV) in insurance is a detailed report submitted by a policyholder or their agent listing the insured properties, asset values, and locations.

- It serves as the core record used by insurance companies to calculate premium rates, assess risk exposure, and establish coverage limits.

Co-Insurance

- A co-insurance clause is a policy provision requiring you to insure your property for a minimum percentage of its value (say 80%).

- If you underinsure and don't meet this requirement, the insurer will reduce your payout proportionally when you file a claim, making you pay a share of the premium.

- The purpose of a co-insurance clause is to prevent property owners from underinsuring their buildings to save on premiums.

Agreed Amount

- An agreed amount endorsement is an insurance policy addition that:
  - Waives the co-insurance clause
  - Locks in a predetermined property value
  - Prevents underinsurance penalties during a claim

Blanket Limits

- A blanket limit in insurance is a single, overarching coverage limit that applies to multiple locations, buildings, or categories of property.

- Rather than assigning a specific, capped dollar amount to individual assets, a blanket limit allows you to pool your coverage and allocate funds wherever they are needed most after a covered loss.



Agents: Local vs. Non-Local

- An insurance agent is a professional who sells insurance policies, helps clients choose proper coverage, and assists with policy updates or claims.

- In short, protecting your asset.

Property Rates for…

- Non-concrete: coming down since 2024 as they went up 300-500% in 23/24
- .
- Concrete standard market: not coming down –23/24 went up 50-100% - so **not** coming down- 5-10% increases

- Concrete non-standard market: coming down as they went up 200% in 23/24

Conclusion

- Respect your Role as a Director
- Participate – don't just take up a spot at meetings
- Premium is what you are paying
- Buy broad coverage – ask why the difference if premium difference is great from one agent to the next.

CLOSING

January 29, 2026* – The Nuts and Bolts of Major Construction & Repair Projects - Co-Chairs: Anne Anderson & Sue Savio

March 5* – Meet the Experts— Disaster Preparedness & Recovery – Co-Chairs: Pauli Wong & John Baleix

May 14, 2026* – Mixed Plate of Do's and Don'ts for Boards - Co-Chairs: John Morris & Kanani Kaopua

June 13, June 20, 2026*– Board Leadership Development Workshop – , Co-Chairs: Melanie Oyama, Keven Whalen

July 15 – Legislative Update – presented by the Legislative Action Committee – Phillip Nerney, Chair

August 13* – Effective Ways to Reduce Association Expenses to Avoid Drowning in the Red Sea* - Co-Chairs: Bernie Briones & Joshua German

September 17* Hoarders, Boarders, & Boomers - Co-Chairs: Melanie Oyama & Chris Goodwin

October 29* – Difficult Owners and Frivolous Lawsuits - Co-Chairs: Richard Ekimoto & Paul Ireland Koftinow

November 6 – Annual CAI Membership Meeting

November 21– Condorama XVII - Co-Chairs: Melanie Oyama & Chris Goodwin

******This seminar or educational presentation is entirely or partly funded by funds from the Condominium Education Trust Fund (CETF), for condominium unit owners whose associations are registered with the Real Estate Commission. The CETF is administered by the Real Estate Commission which is attached to the Department of Commerce and Consumer Affairs, State of Hawaii, through the Professional and Vocational Licensing Division.*



THANK YOU FOR ATTENDING!

HOUSE OF REPRESENTATIVES
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

H.B. NO. 1824 H.D. 1 S.D. 1 C.D. 1

A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

SECTION 1. The legislature finds that Hawaii's condominium and homeowners' association reserve requirements are intended to promote financial transparency, long-term planning, and the protection of unit owners from unexpected special assessments.

The legislature further finds that while third-party reserve study reviews can be an effective tool for larger and more complex associations, the cost of obtaining such reviews may impose a disproportionate financial burden on very small associations with simple infrastructure, limited shared components, and active owner oversight. For these associations, the expense of a mandatory third-party reserve study review may exceed other essential annual operating costs and reduce funds available for actual maintenance and repair of common elements.

The legislature notes that existing law already recognizes the distinction between large and small associations by permitting associations comprised of fewer than twenty units to waive certain audit and financial verification requirements by a

vote of unit owners. The legislature finds that a similar, narrowly tailored approach is appropriate with respect to the triennial third-party reserve study review requirement.

The purpose of this Act is to provide limited flexibility for small associations, while preserving transparency and owner protections, by allowing associations with fewer than twenty units and a building or buildings of no more than two stories, to waive the requirement for a third-party reserve study review upon a majority vote of unit owners; provided that certain requirements are met, but prohibiting associations from waiving this requirement for consecutive periods.

SECTION 2. Section 514B-148, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The budget required under section 514B-144(a) shall include a summary with at least the following details:

(1) The estimated revenues and operating expenses of the association;

(2) Disclosure as to whether the budget has been prepared on a cash or accrual basis;

(3) The estimated costs of fire safety equipment or installations that meet the requirements of a building

fire and life safety evaluation required by the applicable county for any building located in a county with a population greater than five hundred thousand; provided that the reserve study may forecast a loan or special assessment to fund building fire and life safety components or installation;

(4) The balance of the total replacement reserves fund of the association as of the date of the budget;

(5) The estimated replacement reserves assessments that the association will require to maintain the property based on a reserve study performed by or on behalf of the association; provided that [~~the~~]:

(A) The reserve study, if not prepared by an independent reserve study preparer, shall be reviewed by an independent reserve study preparer no less than every three years; provided further that [~~a~~] an association comprising fewer than twenty units and a building or buildings of no more than two stories may, by the affirmative vote of a majority of the unit owners present or represented at a duly noticed association

meeting, elect to waive the requirement for a review by an independent reserve study preparer; provided that:

(i) The association continues to prepare and disclose annual reserve information to unit owners in accordance with this chapter;

(ii) The vote to waive the review by an independent reserve study preparer is recorded in the association's records and made available to unit owners upon request;

(iii) The vote to waive the reserve study review applies to a single three-year period; and

(iv) The association shall not waive the reserve study review requirement for two consecutive three-year periods.

Nothing in this subparagraph shall be construed to prohibit an association from obtaining a review by an independent reserve study preparer at any time; and

(B) A managing agent with industry reserve study designations shall not be considered as having a

conflict of interest for purposes of this paragraph;

(6) A general explanation of how the estimated replacement reserves assessments are computed and detailing:

(A) The identity, qualifications, and potential conflicts of interest of the person or entity performing the reserve study, update, or any review thereof;

(B) Disclosure of any component of association property omitted from the reserve study and the basis for the omission;

(C) Planned increases in the estimated replacement reserve assessments over the thirty-year plan; and

(D) Whether the actual estimated replacement reserves assessments for the prior year as defined in the study were less than the assessments provided for in the reserve study, and, if so, by how much, and explaining the impact of the lesser assessments on future estimated replacement reserves assessments;

(7) The amount the association must collect for the fiscal year to fund the estimated replacement reserves assessments; and

(8) Information as to whether the amount the association must collect for the fiscal year to fund the estimated replacement reserves assessments was calculated using a per cent funded or cash flow plan. The method or plan shall not circumvent the estimated replacement reserves assessments amount determined by the reserve study pursuant to paragraph (5).

The budget summary shall contain all required information without referring the reader to other portions of the budget."

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

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

H.B. NO. 1824 H.D. 1 S.D. 1 C.D. 1

Report Title:
Condominium Associations; Reserve Study; Waiver; Small Associations

Description:
Allows small condominium associations with a building or buildings of no more than two stories to waive the requirement for the reserve study to be reviewed by an independent reserve study preparer if a majority of unit owners at a meeting approve the waiver and certain other requirements are met, but prohibits associations from waiving this requirement for consecutive three-year periods. (CD1)

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

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

GOV. MSG. NO. 1137

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

May 26, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on May 26, 2026, the following bill was signed into law:

H.B. NO. 1678, H.D. 1, S.D. 1, C.D. 1 — RELATING TO ASSOCIATIONS.
ACT 037

Mahalo,

Josh Green M.D.

Josh Green, M.D.
Governor, State of Hawai'i

Approved by the Governor
on MAY 26 2026

HOUSE OF REPRESENTATIVES
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

ACT 037

H.B. NO. 1678 H.D. 1 S.D. 1 C.D. 1

A BILL FOR AN ACT

RELATING TO ASSOCIATIONS.

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

SECTION 1. Section 421J-3.2, Hawaii Revised Statutes, is amended to read as follows:

"**[~~[~~§421J-3.2**[~~]~~] Cumulative voting for directors.** (a) [~~If the association documents provide for cumulative voting by members,~~] If an election is to be held by cumulative voting pursuant to the bylaws, members may so vote, by multiplying the number of votes the members are entitled to cast by the number of positions for whom they are entitled to vote, and [~~cast the product for a single candidate or distribute the product among two or more candidates.~~] give all of the votes to one candidate or distribute the individual votes among any or all of the candidates. The candidates receiving the highest number of votes under this section, up to the total number of positions to be filled, shall be deemed elected, and shall be given the longest term.

(b) Unless otherwise provided in the association documents, cumulative voting shall not be permitted.

(c) A director elected by cumulative voting may be removed by the members with or without cause if the requirements of section 421J-3.3 are met.

(d) As used in this section, "candidate" means a nominee or write-in candidate."

SECTION 2. Section 514B-124.5, Hawaii Revised Statutes, is amended to read as follows:

"**[~~[~~]§514B-124.5[~~]~~] Voting for elections; cumulative voting.** (a) [~~If the bylaws provide for cumulative voting for an election at a meeting,~~] If an election is to be held by cumulative voting pursuant to the bylaws, each unit owner present in person or represented by proxy shall have a number of votes equal to the unit owner's voting percentage multiplied by the number of positions to be filled at the election.

(b) Each unit owner shall be entitled to cumulate the individual votes of the unit owner and give all of the votes to one [~~nominee~~] candidate or distribute the votes among any or all of the [~~nominees.~~] candidates.

(c) The [~~nominee or nominees~~] candidate or candidates receiving the highest number of votes under this section, up to

the total number of positions to be filled, shall be deemed elected and shall be given the longest term.

(d) This section shall not prevent the filling of vacancies on the board of directors in accordance with this chapter and the association's governing documents.

(e) As used in this section, "candidate" means a nominee or write-in candidate."

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

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

H.B. NO. 1678 H.D. 1 S.D. 1 C.D. 1

APPROVED this 26th day of May , 2026



GOVERNOR OF THE STATE OF HAWAII

HB No. 1678, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.

Nadine K. Nakamura
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2026
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.

President of the Senate

Clerk of the Senate

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

GOV. MSG. NO. 1221

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

June 8, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 8, 2026, the following bill was signed into law:

S.B. NO. 2061, S.D. 2, H.D. 2, C.D. 1	RELATING TO RESIDENTIAL CONDOMINIUMS. **ACT 121**

Mahalo,

Josh Green M.D.

Josh Green, M.D.
Governor, State of Hawai'i

Approved by the Governor

on JUN 8 2026

THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

ACT 121

S.B. NO. 2061 S.D. 2 H.D. 2 C.D. 1

A BILL FOR AN ACT

RELATING TO RESIDENTIAL CONDOMINIUMS.

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

SECTION 1. Section 206E-281, Hawaii Revised Statutes, is amended by amending the definition of "owner-occupied residential use" to read as follows:

""Owner-occupied residential use" means any use currently permitted in existing residential zones consistent with owner occupancy. [~~"Owner-occupied residential use" does not include renting or subleasing by the owner of a residential condominium unit to any tenant or sublessee of any kind.~~]"

SECTION 2. Section 206E-283, Hawaii Revised Statutes, is amended to read as follows:

"**[~~§~~]§206E-283[~~§~~] Rules; guidelines.** [~~(a) Residential condominium units within urban redevelopment sites shall not be advertised for rent, rented, or used for any purpose other than owner-occupied residential use. The authority, by rule, shall establish penalties for violations of this subsection up to and including forced sale of a residential condominium unit within an urban redevelopment site.~~

[~~(b)~~] (a) The design [~~and~~], development, and construction contracts for residential condominium units within an urban redevelopment site shall not be subject to chapter 103D[~~.~~]; provided that every laborer and mechanic performing work on the job site for the construction of residential condominium units shall be paid the prevailing wage established by the director of labor and industrial relations pursuant to section 104-2.

[~~(c)~~] (b) Development should be revenue-neutral to the greatest extent possible.

[~~(d)~~] (c) Urban redevelopment sites shall maximize walkability."

SECTION 3. Section 206E-284, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) The authority shall adopt rules pursuant to chapter 91 for the sale of the leasehold interest of residential condominium units under its control within urban redevelopment sites; provided that each lease shall be for a term of ninety-nine years. The rules shall [~~include~~]:

(1) For the period within sixty days from the initial offering, require residential condominium units within

the project to be offered only to eligible buyers pursuant to this subsection for owner-occupied residential use; provided that the authority:

(A) Shall determine the durational requirements for owner-occupied residential use; and

(B) May include additional terms, conditions, or requirements;

(2) Include the following requirements [~~for an eligible buyer or owner of a residential condominium unit~~] to be an eligible buyer for purchase of a residential condominium unit within an urban redevelopment site[~~:~~] set aside for owner-occupied residential use:

[~~(1)~~] (A) The person shall be a qualified resident of the State, as defined in section 201H-32[~~,~~], except as otherwise provided by rule;

[~~(2)~~] (B) The person shall not use a residential condominium unit within an urban redevelopment site for any purpose other than owner-occupied residential use[~~; and~~], except as otherwise provided by rule; and

[~~(3)~~] (C) The person[~~,~~] or the person's spouse[~~, or any other person intending to live with the eligible buyer or owner,~~] shall not own any other real property, including any residential and non-residential property, beneficial ownership of trusts, and co-ownership or fractional ownership, while owning a residential condominium unit within an urban redevelopment site; provided that [~~an eligible buyer may own real property up to six months after closing on the purchase of a residential condominium unit within an urban redevelopment site; provided further that an owner of a residential condominium unit within an urban redevelopment site in the process of selling the residential condominium unit may own other real property up to six months prior to closing on the sale of the residential condominium unit to an eligible buyer,~~] if the lessee or the lessee's spouse purchases or acquires any other real property, or becomes a

beneficiary entitled to occupy property held by a trust, the eligible buyer shall either:

(i) Sell the leasehold interest in the residential condominium unit to another eligible buyer within six months from the date of purchase or acquisition; or

(ii) Sell or otherwise dispose of the other real property or divest the beneficiary interest within six months from the date of purchase or acquisition;

[~~provided that the rules adopted pursuant to this subsection may require~~]

(3) Require at least [~~fifty~~] sixty per cent of the residential condominium units be sold to an individual or household with an income of up to one hundred forty per cent of the area median income[~~. The rules shall include~~];

(4) Allow a residential condominium unit that is not subject to an income restriction under paragraph (3) and was not sold within sixty days from the initial offering for sale of the unit to be sold to other

buyers, as determined by the authority, without an owner-occupancy requirement; and

(5) Include strict enforcement of owner-occupancy, unless otherwise exempted by rule, including a prohibition on renting or subleasing a residential condominium unit within an urban redevelopment site to any tenant or sublessee.

The authority may also establish rules for a minimum number of days residents shall be physically present on the premises and a maximum number of days non-residents may have access to the premises."

2. By amending subsection (d) to read:

"(d) An owner of a leasehold interest in the residential condominium unit within an urban redevelopment site may sell the owner's leasehold interest in the residential condominium unit; provided that the authority shall have the right of first refusal to purchase the leasehold interest in the residential condominium unit for a certain period of time and for a buyback price to be determined by the authority[~~.~~]; provided further that the authority shall establish rules to require buyback pricing similar to other state agencies' existing pricing

formulas. If the authority does not exercise its right to purchase the leasehold interest in the residential condominium unit, the leasehold interest in the residential condominium unit may be sold by the owner to an eligible buyer. Upon the death of the owner of a leasehold interest in the residential condominium unit within an urban redevelopment site, the leasehold interest in the residential condominium unit may be transferred to the deceased's heir by devise or as any other real property under existing law; provided that the deceased's heir shall meet the requirements listed in subsection (a); provided further that if the deceased's heir does not meet requirements to accept transfer of the residential condominium unit, the deceased's heir shall sell the leasehold interest in the residential condominium unit to an eligible buyer."

SECTION 4. Section 206E-288, Hawaii Revised Statutes, is repealed.

~~["[§206E-288] Construction contracts. Construction contracts for residential condominium units within an urban redevelopment site shall be subject to chapter 103D."]~~

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

SECTION 6. This Act shall take effect upon its approval.

S.B. NO. 2061 S.D. 2 H.D. 2 C.D. 1

APPROVED this 8th day of June , 2026



GOVERNOR OF THE STATE OF HAWAI'I

THE SENATE OF THE STATE OF HAWAI'I

Date: May 6, 2026
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.

President of the Senate

Clerk of the Senate

SB No. 2061, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.

Nadine K. Nakamura
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives

ORDINANCE NO. 6008

BILL NO. **88, CD1, FD1** (2026)

A BILL FOR AN ORDINANCE AMENDING THE COMPREHENSIVE ZONING ORDINANCE TO ESTABLISH THE H-3 AND H-4 HOTEL DISTRICTS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. In a report to the Council's Housing and Land Use Committee dated October 14, 2025, the Bill 9 Temporary Investigative Group recommended legislation establishing H-3 and H-4 Hotel Districts in Chapter 19.14, Maui County Code. According to the report, the legislation would allow existing Apartment District properties to continue Transient Vacation Rental uses, if appropriate, even if the Council were to enact an ordinance phasing out TVRs as permitted uses in the A-1 and A-2 zones. On December 15, 2025, Ordinance 5909 was signed into law to phase out TVRs in the A-1 and A-2 zones.

By Resolution 25-230, FD1, adopted on January 7, 2026, a proposed bill to amend the Comprehensive Zoning Ordinance and establish the H-3 and H-4 Hotel Districts was referred by the Council to the planning commissions for review. By County Communication 100-26, dated May 5, 2026, the Planning Director transmitted the planning commissions' recommendations in response to the resolution.

This Ordinance's purpose is to approve the changes to the Comprehensive Zoning Ordinance proposed by Resolution 25-230, FD1, and recommended by

the Bill 9 Temporary Investigative Group, the Department of Planning, and the Molokai Planning Commission.

SECTION 2. Section 19.06.010, Maui County Code, is amended to read as follows:

"**19.06.010 Districts designated.** 1. The County is divided into the following base zone districts:

A. Open space districts:
   1. OS-1.
   2. OS-2.

B. Residential districts:
   1. R-1.
   2. R-2.
   3. R-3.

C. R-0 zero lot line residential district.

D. Two-family districts.
   1. D-1.
   2. D-2.

E. Apartment districts.
   1. A-1.
   2. A-2.

F. Hotel districts.
   1. H-1.
   2. H-M.
   3. H-2 and hotel.
   4. H-3.
   5. H-4.

G. Business districts:
   1. SBR service.
   2. B-CT country town.
   3. B-1 neighborhood.
   4. B-2 community.
   5. B-3 central.
   6. B-R resort commercial district.

H. Industrial districts:
   1. M-1 light.
   2. M-2 heavy.
   3. M-3 restricted.

I. Park districts:
   1. PK.
   2. GC.

J. Airport district.

K. Agricultural district.

L. Rural districts:
1. RU-0.5.
2. RU-1.
3. RU-2.
4. RU-5.
5. RU-10.
6. County rural.

M. Public/quasi-public districts:
1. P-1.
2. P-2.

N. Kihei research and technology park district.

O. Maui research and technology park district.

P. Napili bay civic improvement district.

Q. Urban reserve district.

R. Interim.

S. Maui County historic districts.
1. Historic district no. 1 in Lahaina.
2. Historic district no. 2 in Lahaina.
3. Historic district no. 3 in Wailuku.

T. Project [Districts.] districts.

U. Wailuku Redevelopment Area ("WRA") districts, including:

1. WRA business/multi-family ([currently] designated as "Business Multi-Family on the digital zoning map).

2. WRA commercial mixed use[.] ([currently] designated as "Commercial Mixed Use - MRA" on the digital zoning map).

3. WRA multi-family ([currently] designated as "Multi Family – MRA" on the digital zoning map).

4. WRA public/quasi-public ([currently] designated as "Public/Quasi Public – MRA" on the digital zoning map).

5. WRA residential ([currently] designated as "Public/Quasi Public – MRA" on the digital zoning map).

2. The County has the following overlay zone districts:
A. Wetlands overlay district.
B. Planned development.
C. Cluster housing development.
D. R-0 zero lot line overlay district.
E. Wellhead protection overlay district."

SECTION 3. Section 19.14.010, Maui County Code, is amended to read as follows:

"**19.14.010 Purpose and intent.** A. A hotel district is a high density, multiple-family area bordering business districts or ocean fronts, or both. This district includes public and semi-public institutional and accessory uses.

B. Hotel districts include the following:

1. On all islands: H-1, H-M, and H-2 and hotel.

2. Except on Molokai: H-3 and H-4.

C. The H-3 and H-4 districts are reserved for properties that had been zoned A-1 and A-2, respectively, with buildings or structures where transient vacation rentals had been permitted uses. The department will maintain a publicly available list of properties that may meet the criteria in paragraph 19.14.020(B)(2) to conduct transient vacation rental uses in the H-3 and H-4 districts. The list is not a confirmation of a zoning determination."

SECTION 4. Section 19.14.020, Maui County Code, is amended to read as follows:

"**19.14.020 Permitted uses.** [Within hotel districts, the] A. The following uses [shall be] are permitted[:] in the H-1, H-M, and H-2 and hotel districts:

[A.] 1. Any use permitted in residential and apartment districts[;].

[B.] 2. Hotels[;].

[C.] 3. Apartment-hotels[;].

[D.] 4. Auditoriums and theaters[;].

[E.] 5. Automobile parking lots and buildings[;].

[F.] 6. Bona fide nonprofit clubs and lodges[;].

[G.] 7. Nonprofit museums, libraries, art galleries, and philanthropic institutions[; and].

[H.] 8. Cell or radio [antenna] antennae attached to an existing building.

B. The following uses are permitted in the H-3 and H-4 districts:

1. Any use permitted in residential and apartment districts.

2. Transient vacation rentals in buildings and structures meeting all of the following criteria:

a. The building or structure received a building permit, special management area use permit, or planned development approval that was lawfully issued by and was valid, or is otherwise confirmed to have been lawfully existing, on April 20, 1989.

b. Transient vacation rental use was legally conducted in any lawfully existing dwelling unit within the building or structure before September 24, 2020, as determined by real property tax classification or payment of general excise tax and transient accommodations tax.

c. The number of rooms or units allowed for transient vacation rental use may not increase beyond those allowed for such use as of January 7, 2022. Existing rooms or units for which transient vacation rental use is permitted may be reconstructed or renovated if no new rooms or units are added. Expansion of the existing total square footage of the floor area is prohibited.

d. The property owner or operator holds general excise tax and transient accommodations tax licenses and is current in payment of State and County taxes, fines, or penalties assessed in relation to the transient vacation rental."

SECTION 5. Section 19.14.030, Maui County Code, is amended to read as follows:

"**19.14.030 Accessory uses and buildings.** A. The following accessory uses are permitted in the H-1, H-M, and H-2 and hotel districts:

Accessory uses and buildings	Criteria or limitations
A. Energy systems, small-scale	[Provided] Only if there will be no detrimental or nuisance affect upon the neighbors
B. Fences	
C. Garages	
D. Eating and drinking establishments	1. All hotel and apartment-hotel buildings in which [such] the accessory uses [shall be] are permitted [and allowed shall] must contain more than [twenty] 20 rental units 2. Personal service shops and businesses allowed as accessory uses [shall] must be operated primarily as an accessory service to, and for the convenience of tenants, occupants, and guests of apartment, hotel,
E. Personal and business services	
F. Dancing and hula studios	
G. Flower, gift, and curio shops	
H. Music stores and studios	
I. Newsstands and magazine stands	
J. Pharmacies and drug stores	
K. Restaurants, with or without nightclub facilities	

L. Other accessory, business, or service establishments [which] that supply commodities or perform services primarily for the hotel guests; however, [such] the uses [shall] must be approved by the director of planning as conforming to the intent of this [title] section	and apartment-hotel buildings 3. Where the lot area is [in excess of twenty thousand] more than 20,000 square feet, doors and entrances to shops and businesses allowed as accessory uses may be permitted to open to the public street; further, the shops and businesses may be constructed as separate buildings[, provided,] if that location of [such] the shops and businesses [shall have] has been approved by the director of planning

B. The following accessory uses are permitted as accessory uses in the H-3 and H-4 districts:

Accessory uses and buildings	Criteria or limitations
A. Energy systems, small-scale	Only if there will be no detrimental or nuisance effect upon the neighbors
B. Fences, mail boxes, trash enclosures	
C. Garages	
D. Subordinate uses and structures which are determined by the director to be clearly incidental and customary to the permitted uses	

"

SECTION 6. Section 19.14.050, Maui County Code, is amended to read as follows:

"**19.14.050 Development standards.**

	H-1	H-M	H-2 [&] and [Hotel] hotel	H-3	H-4	Notes and [Exceptions] exceptions
Minimum lot area (square feet)	10,000	15,000	20,000	10,000	10,000	
Minimum lot width (in feet)	75	85	100	70	70	
Maximum building height (in feet)	35	90	160	35	60	Except that vent pipes, fans, elevator and stairway

						shafts, chimneys, cell or antennae, and equipment used for small scale energy systems on roofs may extend an additional 10 feet above the building roof
Minimum yard setback (in feet)						
Front and rear	½ the height of building with a minimum of 15 feet			15 feet for the portion of the building 35 feet or less in height, and 20 feet for the portion of the building taller than 35 feet		
Side	Building height in feet		Side yard in feet	10 feet for the portion of the building 35 feet or less in height, and 15 feet for the portion of the building taller than 35 feet		
	Less than 30		10			
	30 to 60		15 [ft.]			
	60 to 90		20 [ft.]			
	90 to 120		25 [ft.]			
	120 to 160		30 [ft.]			
Maximum lot coverage	25[%] percent	30[%] percent	35[%] percent	25 percent	35 percent	
Maximum floor area ratio	50[%] percent	100[%] percent	150[%] percent	40 percent for lots three acres or more, 50 percent for lots less than three acres	90 percent	
Accessory structures within setback area	Mail boxes, trash enclosures, boundary walls, and ground signs	Mail boxes, trash enclosures, boundary walls, and ground signs	Mail boxes, trash enclosures, boundary walls, and ground signs	Mail boxes, trash enclosures, boundary walls, and ground signs	Mail boxes, trash enclosures, boundary walls, and ground signs	[Shall] Must not exceed [8] eight feet in height except for signs for which a

						greater height is allowed in chapter 16.13[.of this code]

"

SECTION 7. The list required under Subsection 19.14.010(C), Maui County Code, is attached as Exhibit "1." Exhibit "1" must be published on the Department of Planning's website and be available for public inspection.

SECTION 8. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

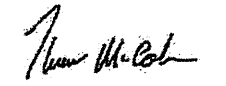
SECTION 9. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui

paf:jgk:26-177a

INTRODUCED BY:



TOM COOK

Apartment District Properties Allowed to be Used for Short-Term Occupancy

Exhibit "1"

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
HANA KAI-MAUI	140050400000	4865 Uakea Rd	1974	A1	MF	19
WAILEA EKAHI II	210080600000	3300 Wailea Alanui Dr	1976	A1	MF/PUD	92
WAILEA EKAHI I	210080640000	3300 Wailea Alanui Dr	1976	A1/BR/OS/PUD	MF/OS	100
WAILEA EKAHI III	210080650000	3300 Wailea Alanui Dr	1976	A1/H1/OS/PUD	MF/OS	104
WAILEA EKOLU	210080770000	10 Wailea Ekolu Pl	1979	A1/OS-GC/PUD	MF	148
PALMS AT WAILEA I	210080820000	3200 Wailea Alanui Dr	1990	A1	MF/OS/PD	150
GRND CHAMP VILLAS	210081040000	155 Wailea Ike Pl	1989	A2	MF/OS/PD	188
KUAU PLAZA	260120500000	777 Hana Hwy	1973	A2	MF	30
MAKANI A KAI	380140010000	300 Hauoli St	1974	A1	MF	24
HONO KAI	380140020000	280 Hauoli St	1972	A2/A1	MF	46
KANAI A NALU	380140040000	250 Hauoli St	1977	A2	MF	80
MAALAEA BANYANS	380140110000	190 Hauoli St	1987	A2	MF	78
ISLAND SANDS	380140150000	150 Hauoli St	1975	A2	MF	83
LAULOA MAALAEA	380140160000	100 Hauoli St	1979	A2	MF	47
MAALAEA KAI	380140210000	70 Hauoli St	1974	A2	MF	79
MILOWAI-MAALAEA	380140220000	50 Hauoli St	1977	A2/M1	LI	42
MAUI SUNSET	390010020000	1032 S Kihei Rd	1974	A2	MF	225
MAUI SCHOONER	390010040000	980 S Kihei Rd	1980	A2	MF	58
LUANA KAI	390010060000	940 S Kihei Rd	1979	A2	MF	113
WAIPUILANI	390010570000	1002 S Kihei Rd	1975	A2	MF	42
KAUHALE MAKAI	390010750000	938 S Kihei Rd	1976	A2	MF	169
KIHEI BAY SURF	390011070000	715 S Kihei Rd	1980	A1	MF	118
LEINAALA	390011100000	998 S Kihei Rd	1975	A2	MF	24
KOA RESORT II	390011340000	811 S Kihei Rd	1980	A1	MF	54
KIHEI RESORT	390011360000	777 S Kihei Rd	1981	A1	MF	64
KIHEI BAY VISTA	390011430000	679 S Kihei Rd	1989	A1	MF	60
KAMAOLE SANDS	390040040000	2695 S Kihei Rd	1983	A2	MF	440
MAUI HILL	390040810000	2881 S Kihei Rd	1981	A1	MF	140
MAUI KAMAOLE III	390040820000	2777 S Kihei Rd	1994	A1	MF	240
HALE KAMAOLE	390040840000	2737 S Kihei Rd	1974	A1/A2	MF	188
HALEAKALA SHORES	390040970000	2619 S Kihei Rd	1974	A2	MF	76
MAUI PARKSHORE	390040980000	2653 S Kihei Rd	1974	A2	MF	64
KEAWAKAPU	390041390000	2895 S Kihei Rd	1976	A1	MF	18
MAUI KAMAOLE	390041430000	2777 S Kihei Rd	1988	A1	MF	28
MAUI KAMAOLE II	390041440000	2777 S Kihei Rd	1989	A1	MF	48
MY WAII BEACH COTTAGE	390050120000	2128 Iliili Rd	1970	A1	MF	1
WAILEA INN	390050130000	2141 Iliili Rd	1985	A1	MF	6
LIHIKAI APTS	390050170000	2173 Iliili Rd	1963	A1	MF	8

This list does not grant any entitlement that is not allowed by zoning or any other provisions of the Maui County Code. This list is subject to error; to determine if short-term occupancy is allowed on any property, confirmation should be obtained from the Department of Planning.

Apartment District Properties Allowed to be Used for Short-Term Occupancy

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
KIHEI COVE	390050180000	2181 Iliili Rd	1980	A1	MF	6
HALE MAHIALANI	390050210000	7 Kaiau Pl	1976	A1	MF	7
INDO LOTUS BEACH HSE	390050220000	2216 S Kihei Rd	1970	A1	MF	1
KAMAOLE ONE	390050230000	2230 S Kihei Rd	1973	A1	MF	12
HALE ILIILI	390050350000	2172 Iliili Rd	1978	A1	MF	4
PUNAHOA BEACH APTS	390050380000	2142 Iliili Rd	1970	A1	MF	15
2131 ILIILI RD	390050390000	2131 Iliili Rd	1946	A-1	MF	1
1194 ULUNIU RD	390070010000	1194 Uluniu Rd	1964, 1979	A-1	MF	2
1178 ULUNIU RD	390070020000	1178 Uluniu Rd	1935	A-1	MF	1
MOANA VILLA	390070250000	1158 Uluniu Rd	1973	A1	MF	1
HALE KAI O'KIHEI	390080030000	1310 Uluniu Rd	1969	A1	MF	59
LEILANI KAI	390080090000	1226 Uluniu Rd	1974	A1	MF	9
KIHEI GARDEN ESTATES	390080110000	1299 Uluniu Rd	1979	A1	MF	84
ALOHA VILLAS	390080310000	1338 Uluniu Rd	1980	A-1	MF	4
1444 HALAMA ST	390090020000	1444 Halama St	1968	A-1	MF	4
1440 HALAMA ST	390090030000	1440 Halama St	1946	A-1	MF	1
KAPU TOWNHOUSE	390090050000	69 Kapu Pl	1980	A1	SF	2
WAIOHULI BCH DUPLEX	390090100000	64 W Lipoa St	1977	A1	MF	2
1470 HALAMA ST	390090250000	1470 Halama St	1960	A-1	MF	1
WAIOHULI BEACH HALE	390090290000	49 W Lipoa St	1979	A1/PU	MF	52
KIHEI VILLA	390160200000	2135 S Kihei Rd	1973	A2	MF	24
KALAMA TERRACE	390160270000	35 Walaka St	1972	A2	MF	61
SHORES OF MAUI	390170030000	2075 S Kihei Rd	1975	A1	MF	50
KIHEI PARKSHORE	390170100000	2037 S Kihei Rd	1974	A1	MF	16
KANOE APTS	390170170000	2050 Kanoe St	1982	A-1	MF	18
PACIFIC SHORES	390180020000	2219 S Kihei Rd	1979	A2	MF	136
MAUI VISTA	390180030000	2191 S Kihei Rd	1980	A2	MF	280
KAPALUA BAY VILLAS	420010240000	500 Bay Dr	1977	A2	RES	141
KAPALUA GOLF VILLAS	420010280000	500 Kapalua Dr	1979	A2/AG/OS/GC	RES	186
THE RIDGE	420010320000	100 Ridge Road	1979	A2/PK-4	RES	161
KAHANA REEF	430050090000	4471 Lower Honoapiilani Rd	1974	A2	RES	88
KAHANA OUTRIGGER	430050200000	4521 Lower Honoapiilani Rd	1981	A1	RES	8
KAHANA OUTRIGGER	430050210000	4521 Lower Honoapiilani Rd	1981	A1	RES	4
KAHANA VILLAGE	430050290000	4531 Lower Honoapiilani Rd	1978	A1	RES	42
KAHANA OUTRIGGER	430050310000	4521 Lower Honoapiilani Rd	1981	A1	RES	4
LAHAINA BEACH CLUB	430060060000	3711 Lower Honoapiilani Rd	1971	A2	RES	12
NOHONANI	430060070000	3723 Lower Honoapiilani Rd	1974	A2	RES	28
MAKANI SANDS	430060120000	3765 Lower Honoapiilani Rd	1974	A2	RES	30

This list does not grant any entitlement that is not allowed by zoning or any other provisions of the Maui County Code. This list is subject to error; to determine if short-term occupancy is allowed on any property, confirmation should be obtained from the Department of Planning.

Apartment District Properties Allowed to be Used for Short-Term Occupancy

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS
KALEIALOHA	430060130000	3785 Lower Honoapiilani Rd	1973	A2	RES	67
HONO KOA	430060140000	3801 Lower Honoapiilani Rd	1980	A2	RES	28
LOKELANI	430060160000	3833 Lower Honoapiilani Rd	1971	A2	RES	36
HALE MAHINA BEACH	430060410000	3875 Lower Honoapiilani Rd	1981	A2	RES	53
HALE ONO LOA	430060440000	3823 Lower Honoapiilani Rd	1969	A2	RES	67
PIKAKE	430060630000	3701 Lower Honoapiilani Rd	1966	A2	RES	12
MAHINAHINA BEACH	430080010000	4007 Lower Honoapiilani Rd	1979	A1	RES	32
POLYNESIAN SHORES	430080020000	3975 Lower Honoapiilani Rd	1972	A1	RES	52
KULEANA	430080040000	3959 Lower Honoapiilani Rd	1972	A1	RES	18
KULEANA	430080050000	3959 Lower Honoapiilani Rd	1974	A1	RES	100
HOYOCHI NIKKO	430080060000	3901 Lower Honoapiilani Rd	1973	A1	RES	17
NOELANI	430090020000	4095 Lower Honoapiilani Rd	1974	A2	RES	50
MAHINA SURF	430090050000	4057 Lower Honoapiilani Rd	1969	A1	RES	44
HONOKOWAI PALMS	440010410000	3666 Lower Honoapiilani Rd	1965	A2	RES	30
HALE KAI I	440010420000	3691 Lower Honoapiilani Rd	1967	A2	RES	40
PAKI MAUI III	440010500000	3615 Lower Honoapiilani Rd	1978	A2	RES	28
PAKI MAUI I & II	440010510000	3601 Lower Honoapiilani Rd	1975	A2	RES	80
MAUI SANDS I	440010520000	3559 Lower Honoapiilani Rd	1966	A2	RES	56
PAPAKEA	440010550000	3543 Lower Honoapiilani Rd	1977	A2/H2	RES	364
MAUI SANDS II	440010710000	3559 Lower Honoapiilani Rd	1969	A2	RES	20
HALE KAANAPALI	440060110000	45 Kai Ala Dr	1967	A2/H/OS	RH	258
MAUI ELDORADO	440080210000	2661 Kekaa Dr	1968	A2	RH	205
KAANAPALI ROYAL	440080230000	2560 Kekaa Dr	1980	A2	TOC	105
PUUNOA BEACH ESTATES	450040020000	45 Kai Pali Pl	1984	A1	RES	10
LAHAINA ROADS	450130270000	1403 Front St	1969	A2	RES	41
THE SPINNAKER	460100020000	760 Wainee St	1979	A-1	RES	57
KENANI KAI	510030130000	50 Kepuhi Pl	1983	A-1	MF	120
WAVECREST	560040550000	7142 Kamehameha V Hwy	1975	A2/Interim	MF	126

104 Total Apartment District Vacation Rental Units: **7167**

Legend:

Zoning	Community Plan
A1 or A2: Apartment	B: Business
AG: Agriculture	H: Hotel
B2: Community Business	LI: Light Industrial
BR: Business Resort	MF: Multi-Family
H, H1 or H2: Hotel	OS: Open Space
HD1: Historic District 1	P/QP: Public/Quasi-Public
Interim: Interim	PD: Project District

This list does not grant any entitlement that is not allowed by zoning or any other provisions of the Maui County Code. This list is subject to error; to determine if short-term occupancy is allowed on any property, confirmation should be obtained from the Department of Planning.

PROJECT PROPERTY	MASTER TMK	ADDRESS	YR BLT	COUNTY ZONING	COMMUNITY PLAN DESIGNATION	NUMBER OF UNITS

Legend (continued):

Zoning	Community Plan
M1: Light Industrial	PK: Park
OS: Open Space	SF: Single-Family
GC: Golf Course	RH: Resort/Hotel
PK: Park	RES: Residential
PU: Public Use	TOC: Transit-Oriented Corridor
PUD: Planned Development	
R2 or R3: Residential	

Maui County Code Chapter 19.12.020 Apartment Districts Permitted Uses

This list does not grant any entitlement that is not allowed by zoning or any other provisions of the Maui County Code. This list is subject to error; to determine if short-term occupancy is allowed on any property, confirmation should be obtained from the Department of Planning.

WE HEREBY CERTIFY that the foregoing BILL NO. 88, CD1, FD1 (2026)

1. Passed FINAL READING at the meeting of the Council of the County of Maui, State of Hawaii, held on the 19th day of June, 2026, by the following vote:

Alice L LEE Chair	Yuki Lei K. SUGIMURA Vice-Chair	Kauanoe BATANGAN	Tom COOK	Gabriel L. JOHNSON	Tamara A. M. PALTIN	Keani N. W. RAWLINS-FERNANDEZ	Shane M. SINENCI	Nohelani U'U-HODGINS
Aye 'Ae	Aye 'Ae	Aye 'Ae	Aye 'Ae	No 'A'ole	Aye 'Ae	No 'A'ole	Aye 'Ae	Aye 'Ae

2. Was transmitted to the Mayor of the County of Maui, State of Hawaii, on the 19th day of June, 2026.

DATED AT WAILUKU, MAUI, HAWAII, this 19th day of June, 2026.

ALICE L. LEE, CHAIR
Council of the County of Maui

OFFICE OF THE MAYOR
JUN 19 '26 PM3:51

MOANA M. LUTEY, COUNTY CLERK
County of Maui

THE FOREGOING BILL IS HEREBY APPROVED THIS 22nd DAY OF June, 2026.

RICHARD T. BISSEN, JR. MAYOR
County of Maui

I HEREBY CERTIFY that upon approval of the foregoing BILL by the Mayor of the County of Maui, the said BILL was designated as ORDINANCE NO. **6008** of the County of Maui, State of Hawaii.

MOANA M. LUTEY, COUNTY CLERK
County of Maui

Passed First Reading on June 5, 2026
Effective date of Ordinance June 22, 2026

RECEIVED
2026 JUN 22 AM 10:33
OFFICE OF THE
COUNTY CLERK

I HEREBY CERTIFY that the foregoing is a true and correct copy of Ordinance No. 6008, the original of which is on file in the Office of the County Clerk, County of Maui, State of Hawaii.

Dated at Wailuku, Hawaii, on

County Clerk, County of Maui

COUNTY OF HAWAI'I STATE OF HAWAI'I

BILL NO. 47
(DRAFT 3)

ORDINANCE NO. 25 50

AN ORDINANCE AMENDING CHAPTER 6 OF THE HAWAI'I COUNTY CODE 1983 (2016 EDITION, AS AMENDED), RELATING TO TRANSIENT ACCOMMODATIONS.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAI'I:

SECTION 1. Chapter 6 of the Hawai'i County Code 1983 (2016 Edition, as amended) is amended by adding an article to be appropriately inserted and to read as follows:

"**Article 6. Transient Vacation Rentals.**

Division 1. General Provisions.

Section 6-40. Definitions.

When used in this article:

"Booking services" means an intermediary service that, as between the owner, host, or proprietor of a TVR and a prospective occupant, transient, or user thereof, facilitates any of the following:

(1) The offering, listing, or advertising of a TVR to rent;
(2) The making, holding, or arranging of reservations for a TVR; and
(3) Payment for use of a TVR, whether whole or partial and whether made to the owner, host, or proprietor or to a hosting platform.

"Host" means a reachable person whose principal home is on the same property as a TVR and who resides there while the TVR is rented.

"Hosted" refers to a TVR located on a property that is the principal home of a host.

"Hosting platform" means a person or business that provides booking services.

"Principal home" means the same as described by section 19-71(e) of this Code.

"Reachable" means being able to:

(1) Respond via telephone to a request or message from a guest, neighbor, or County agency within one hour of receiving the request or message; and
(2) Be physically present at a TVR within three hours of receiving a request to do so from a guest, neighbor, or County agency.

"TVR" or "transient vacation rental" means a dwelling, dwelling unit, room, apartment, suite, shelter, or the like:

(1) That is, or is offered to be, furnished and rented to a transient:
    (A) For a rental period less than one hundred and eighty consecutive days; and
    (B) In exchange for money, goods, services, or other consideration; and
(2) Excluding hotels, motels, inns, apartment hotels, boarding facilities, lodges, timeshares, and tents.

"Un-hosted" refers to a TVR located on a property on which a host does not reside while the TVR is rented.

Section 6-41. Administrative enforcement.

(a) Fines assessed under this article are due and payable in the manner and before the date specified in the order assessing such fines.

(b) In the case of a hosted TVR, the owner and the host of a TVR are jointly and severally liable for all fines and penalties assessed under this article.

(c) Decisions made by the planning director pursuant to this article are appealable as under chapter 25, article 2, division 2, of this Code.

(d) In all respects not otherwise provided for, any notice or order issued under this article and the provisions therein are subject to and must be made in accordance with section 25-2-35 of this Code.

(e) The County may institute a civil action in a court of competent jurisdiction for the enforcement of any order issued pursuant to this article. Where the civil action has been instituted to enforce the civil fine imposed by said order, the County need only show that the notice was served, that a civil fine was imposed, the amount of the civil fine imposed, and that the fine imposed has not been paid.

(f) On the first day of each September, the County shall file with the bureau of conveyances liens on all properties subject to fines levied under this article that remain unpaid for one year or more after final adjudication and the expiration of the time for any further appeal. Upon such filing, the fines shall constitute a lien on the subject property that, for the purposes of authority, shall be considered equivalent to liens arising pursuant to chapter 19 of this Code.

(g) The County may disclose any information reported or collected under this article to any governmental department or office for the purpose of ensuring compliance with State or County law.

Section 6-42. Rulemaking authority.

The director of finance and planning director may, whether separately or jointly, adopt rules pursuant to the Hawai'i Revised Statutes, chapter 91, necessary for the purposes of this article.

Section 6-43. Applicability.

This article does not apply to any accommodation, lease, letting, or rental activity:

(1) Exempt from the Hawai'i Revised Statutes, chapter 237D;

(2) Subject to the Hawai'i Revised Statutes, chapter 521;

(3) Furnished to a health care worker temporarily employed at a medical facility in the County; or

(4) Authorized by a declaration of a state of emergency.

Division 2. Registration.

Section 6-44. Certain rentals deemed registered.

(a) Notwithstanding any provision to the contrary, a short-term vacation rental registered under section 25-4-16 of this Code prior to the effective date of this ordinance is deemed separately registered for the purposes of this article, subject to renewal under section 6-47, cancellation, and all other provisions of this article as if made in accordance with section 6-45.

(b) A TVR that is permitted by a use permit issued under section 25-4-7 of this Code or a special permit under the Hawai'i Revised Statutes, section 205-6, is deemed registered for the purposes of subsection (c) and exempt in all other respects from this article.

(c) For a TVR deemed registered under this section, the director of finance shall issue the owner a registration number.

Section 6-45. Registration.

(a) A person may not operate a TVR on any property, unless and until the owner first registers it with the director of finance in a format prescribed by the director of finance that includes:
   (1) The street address and tax map key of the property;
   (2) The name, phone number, and e-mail of the owner and the host or other reachable person;
   (3) The number of bedrooms available to rent, and whether they are rented individually or as a whole;
   (4) A site drawing showing the location of all structures on the property, including the TVR;
   (5) A declaration attesting that the TVR complies with the health and safety requirements as may be required by the County;
   (6) A certificate of tax clearance or other documentation from the department of finance showing that the owner does not owe the County any delinquent real property or transient accommodations tax, including any penalties or interest;
   (7) A copy of the owner's:
      (A) General excise tax license obtained under the Hawai'i Revised Statutes, section 237-9; and
      (B) Certificate of registration under the Hawai'i Revised Statutes, section 237D-4 or 237D-4.5;
   (8) A signed statement acknowledging that operation of a TVR may affect the real property tax liability of the owner;
   (9) Other information or material as the director of finance may require; and
   (10) A registration fee of $250 or $500, in the case of a hosted or un-hosted TVR, respectively.

(b) Upon determination that registration is complete, the director of finance shall issue the owner a registration number for the TVR.

(c) It is the duty of the owner to maintain the currency and accuracy of information provided in connection with a registered TVR and to accordingly update the

director of finance whenever any such information becomes outdated or inaccurate or when the owner elects to terminate the registration.

(d) Registration expires ninety days after a change in ownership of the property occurs, and any TVR not theretofore registered by the new owner shall be unregistered.

Section 6-46. Failure to register.

(a) Upon determining that an unregistered TVR is operating on a property, the planning director shall issue a notice of violation and order ordering the owner to:
   (1) Cease and desist from operating the TVR until the owner registers the TVR;
   (2) Pay a civil fine of no less than $1,000 and no more than $10,000; and
   (3) When deemed necessary by the planning director, pay a civil fine for each day in which the violation persists in an amount specified in the order not to exceed two times the highest daily rate at which the TVR has been advertised within the preceding twelve months.

(b) Determination of a failure to register may be made on the basis of:
   (1) An active rental advertisement of the property;
   (2) The fact that the property may be booked or reserved through a booking service;
   (3) Transient accommodations tax returns;
   (4) Other prima facie evidence of TVR operation.

Section 6-47. Annual renewal.

(a) No later than one year after the issuance of a TVR registration number or other date as the director of finance may prescribe, and every year thereafter, the owner shall renew the registration by paying a renewal fee of $100 or $250, in the case of a hosted or un-hosted TVR, respectively.

(b) If an owner fails to renew a registration within the time prescribed in subsection (a), the director of finance shall issue a notice of expired registration advising the owner that, unless the registration is renewed within ninety days of the date of the notice by payment of the renewal fee and a late fee of $90, operation of the TVR thereafter will constitute a failure to register subject to section 6-46.

Section 6-48. Cancellation.

(a) Upon verification of any basis specified in subsection (b), the planning director shall cancel the registration and issue to the owner a notice of cancellation:
   (1) Ordering the owner to cease and desist from operating the TVR until the owner re-registers the TVR;
   (2) Informing the owner of the basis of the cancellation; and
   (3) Advising the owner that operation of the TVR after the date specified in the notice constitutes a failure to register subject to section 6-46.

(b) The decision to cancel a registration may be made on the basis of:
   (1) The TVR, including the structure used therefor or any activity on the property in connection therewith, being in violation of any applicable law;
   (2) Any information provided by the owner in connection with the registration found to be inaccurate or fraudulent; or

(3) Any delinquent real property or transient accommodations tax, or any fees, fines, or penalties assessed on the TVR that are owed and unpaid by the owner.

Section 6-49. Rights and responsibilities unaffected.

Registration and the issuance of a registration number does not grant any right, privilege, immunity, or other allowance to the subject property or owner except as herein provided, and further does not dispense with any necessity, obligation, or duty under other applicable law to which the owner may be subject.

Division 3. Hosting Platforms.

Section 6-50. Applicability.

This division does not apply to:

(1) The provision of booking services for a TVR by the owner thereof; and

(2) A real estate broker or real estate salesperson acting as a hosting platform for no more than one TVR.

Section 6-51. Registration required.

(a) A hosting platform may not provide or facilitate booking services or ancillary services for a TVR within the County; unless:

(1) The person or business first registers with the director of finance, which registration must be made in a format and by a date prescribed by the director of finance and include:

(A) A registration fee of $1,000;

(B) A signed acknowledgement of the registrant's responsibilities and obligations under this division; and

(C) Other information, documentation, or content as the director of finance may require;

(2) The TVR is registered under division 1 or exempt from registration by reason of a use permit or special use permit; and

(3) The owner of the TVR consents to the disclosure of information relating to the TVR that the hosting platform is required to report under section 6-52.

(b) Registration under this section shall remain in effect until terminated by the registrant or cancelled pursuant to section 6-53.

(c) For the purposes of this section, "ancillary services" includes insurance, concierge services, catering, restaurant bookings, tours, guide services, entertainment, cleaning, property management, or maintenance services in connection with a TVR.

Section 6-52. Reporting.

(a) For every TVR in the County for which a hosting platform provides booking services during each month, the hosting platform shall report to the director of finance, in a format prescribed by the director of finance, the following information:

(1) The tax map key number of the TVR;

(2) The registration identification number issued under the Hawai'i Revised Statutes, chapter 237D, associated with the TVR;

(3) The registration number issued under division 1 associated with the TVR; and
(4) The unique website address or link of the TVR.

(b) Except as otherwise provided in subsection (c), the report must be made no later than fourteen days after the end of each month.

(c) In the case of a real estate broker or real estate salesperson acting as a hosting platform for more than one TVR, the report may be made on an annual basis no later than the last day of each January with the information required under subsection (a) covering the preceding calendar year.

Section 6-53. Violation; penalties.

(a) Upon determination that a hosting platform is in violation of sections 6-51 or 6-52, the planning director shall issue a notice of violation and order ordering the hosting platform to cure the violation within ten business days.

(b) If a hosting platform fails to cure any violation, the planning director shall order the hosting platform to:
(1) To cease and desist from providing booking services to any TVR in the County no later than ninety days from the date of the notice, or a later date as the planning director may determine; and
(2) To pay:
(A) A civil fine for each day in which the violation persists in the amount specified in the order, provided the amount is not less than $1,000 and not more than $10,000; or
(B) In the case of a violation of section 6-52(c), a civil fine of $250.

(c) Upon determination that a hosting platform is providing booking services for a TVR for which the registration is expired, cancelled, or otherwise invalid, the planning director shall issue to the hosting platform a notice of removal and order:
(1) Identifying the registration number or unique website address or link of the TVR to be removed and the basis for removal;
(2) Ordering the hosting platform to remove the listing for the TVR from the hosting platform no later than thirty days from the date of the notice; and
(3) Advising the hosting platform that failure to remove the listing constitutes a failure to cure subject to subsection (b)."

SECTION 2. Severability. If any provision of this ordinance, or the application thereof to any taxpayer or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

SECTION 3. This ordinance shall take effect one hundred and eighty days after its approval.

INTRODUCED BY:

COUNCIL MEMBER, COUNTY OF HAWAI'I

COUNCIL MEMBER, COUNTY OF HAWAI'I

Hilo, Hawai'i
Date of Introduction: May 21, 2025
Date of 1st Reading: May 21, 2025
Date of 2nd Reading: June 4, 2025
Effective Date: December 20, 2025

REFERENCE Comm. 236.117

OFFICE OF THE COUNTY CLERK
County of Hawai'i
Hilo, Hawai'i

COUNTY CLERK
COUNTY OF HAWAII
2025 JUN 23 PM 1:27

Introduced By: Heather L. Kimball and Ashley L. Kierkiewicz
Date Introduced: May 21, 2025
First Reading: May 21, 2025
Published: May 30, 2025

REMARKS:

(Draft 2)

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Galimba	X			
Hustace	X			
Inaba		X		
Kagiwada	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Onishi		X		
Villegas		X		
	6	3	0	0

Second Reading: June 4, 2025
To Mayor: June 17, 2025
Returned: June 23, 2025
Effective: December 20, 2025
Published: July 11, 2025

REMARKS:

(Draft 3)

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Galimba	X			
Hustace	X			
Inaba		X		
Kagiwada	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Onishi	X			
Villegas	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

COUNCIL CHAIRPERSON

Approved/Disapproved this 23rd *day of* June, *20* 25.

MAYOR, COUNTY OF HAWAI'I

COUNTY CLERK

Bill No.: 47 (Draft 3)
Reference: C-236.117/PCPLUED-3
Ord No.: 25 50