

2026 Hawaii Legislative Session Report



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Community Associations Institute (CAI) Hawaii Legislative Action Committee (HI LAC) spent the 2026 legislative session advocating on behalf of the [approximately 294,000 Hawaii residents living in 101,400 homes in nearly 2,000 community associations across the Aloha State.](#)

Legislative Overview

Hawaii's legislative session began on January 21 and adjourned on May 8, 2026. Legislation not passed in odd-numbered years is carried over for further consideration in even-numbered years, meaning Hawaii operates on a biennial legislative cycle. This year, the legislature focused on legislation to address the high cost of living, overtourism, and the overall housing shortage while contending with reduced federal funding.

2026 Key Bills of Interest to Community Associations in Hawaii:

Below is a brief overview of highlights from the 2026 Hawaii Legislative Session:

CAI SUPPORTED THE BELOW BILLS

CAI LACs support legislation that aligns with [CAI's public policy positions](#), or which otherwise work to the benefit of the community association industry in a state.

[HB 1678 Cumulative Voting](#)

HI LAC **supported** this bill because it brings needed statutory clarifications to the cumulative voting process currently allowed by Hawaii state law. This bill clarifies that cumulative voting rights apply to all candidates, including write-ins, and that individual votes are to be used when allocating votes.

Status: Successfully PASSED, awaiting Governor's signature. Once signed, effective immediately.

[HB 850 Virtual Meetings](#)

HI LAC **supported** this bill, which provides Hawaii condominium associations with a means to conduct meetings and votes virtually. This bill was carried over from 2025.

This bill establishes that associations may conduct votes and hold meetings via electronic means, regardless of whether or not there is a state of emergency declared by a local government. It also clarifies that a candidate may be a write-in candidate during elections. CAI [supports](#) legislation allowing a community association board and membership to hold meetings virtually.

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Status: DIED in Conference Committee.

HB 1897 Dispute Resolution

HI LAC **supported** this bill as a consumer protection measure, as it provides both sensible clarifications on when attorney's fees can be charged, and makes overall improvements to the alternative dispute resolution process, consistent with CAI's [Alternative Dispute Resolution Public Policy](#).

This bill clarifies that attorney's fees cannot be imposed solely as part of the imposition of fines, and that fines must have an appeals procedure. Additionally, this bill provides state funds to support evaluative mediation and voluntary binding arbitration services, reducing a barrier to seeking out these services. It also creates a cost waiver mechanism in cases of economic hardship. Finally, minimum qualification and disclosure requirements are established for mediators and arbitrators, ensuring more consistency in services. Requirements include mediators having at least three years mediation experience, and arbitrators having at least five years of experience as an attorney (two of which must be working with condominiums).

Status: DIED in Conference Committee.

SB 2765 Rental Income

HI LAC **supported** this bill because it brings needed clarity to the foreclosure process in Hawaii. It clarifies that condominium associations that acquire a unit through foreclosure may retain rental income received prior to the appointment of a commissioner. It also clarifies that an association may be required by a court to remit rental income received after the appointment of a commissioner.

Without this language clarification, banks may use their superior mortgage to foreclose on a unit and seize excess rental income that should be going to the association.

Status: Unsuccessfully DIED in House.

SB 2301 Resale Documents

HI LAC **supported** this bill because it introduces needed clarifications to the resale process. This bill clarifies that, in the case of a private sales transaction, associations and managers are not obligated to provide documents not already in existence, or prepare forms to facilitate the transaction.

Status: Unsuccessfully DIED in Committee.

CAI OPPOSED THE BELOW BILLS

CAI LACs oppose legislation that is at odds with [CAI's public policy positions](#). If a LAC believes it may need to consider or adopt any legislative or regulatory position that would be in conflict with these official positions, it must submit a request for a deviation to be considered by CAI's Government & Public Affairs Committee and/or Board of Trustees.

[HB 1824 Reserve Studies](#)

HI LAC **opposed** this bill because it would have allowed certain associations to waive the statutory requirement of requiring a reserve study be reviewed by an independent reserve study preparer. The objective of engaging an independent reserve study preparer is to minimize the risk of a future loan or special assessment and to identify deferred maintenance and capital projects.

This bill would apply only to small associations, defined as having fewer than twenty units and buildings no more than two stories. A majority of unit owners must vote affirmatively to waive the requirement, and the association must continue to prepare and disclose annual reserve information. The vote would apply to a single three-year period, and cannot be done for consecutive three-year periods.

By allowing certain associations to waive this statutory requirement, it directly conflicted with [CAI's Reserve Study and Funding](#) public policy. Opting out of this requirement conflicts with CAI's core goals around financial sustainability, homeowner protection, and long-term asset management.

Status: Unsuccessfully PASSED, awaiting Governor's signature. Once signed, effective immediately.

[HB 1447/SB 1623](#) and [HB 1312](#) and [HB 475](#) and [SB 3181](#) and [SB 2432](#) **Manager Licensing**

While introduced separately, each of these bills would institute new community association manager licensing in Hawaii, which HI LAC and CAI **oppose**. Notably, SB 2432's manager licensing only applied to individuals managing an association for compensation, and SB 3181 instituted both manager licensing to unrelated board member education requirements. What all bills had in common is that licensing and regulation of community association managers would have been handled by the Real Estate Commission, a body that is not currently equipped for the nuances of community association management.

HI LAC **opposed** these bills, none of which aligned with CAI's [Manager Licensing](#) public policy. CAI encourages the self-regulation of the community management profession through professional certification and designation programs developed by industry professionals for the profession.

Status: All successfully DIED in Committee.

[SB 2368 Association Dissolution](#)

HI LAC **opposed** this bill because it overrides current dissolution procedures outlined in governing documents.

This bill for the dissolution of an association by a vote of 67% of the members of the association, and approval from a court of competent jurisdiction and all lienholders. Associations must have a dissolution plan for winding down association affairs.

Status: Successfully DIED in Committee.

CAI MONITORED THE BELOW BILL

CAI LACs monitor legislation with the potential to impact those living and working in community associations across their state, as well as legislation that may indirectly or unintentionally impact community associations.

[SB 2061 Ninety-Nine Year Leasehold Program](#)

This bill provides clarifications to the state's ninety-nine-year leasehold program. Among the changes are:

- At least sixty per cent of the residential condominium units within urban redevelopment sites to be set aside for owner-occupied residential use for not less than ten years from the date of initial purchase of the unit;
- Amends eligibility requirements to buy or own a residential condominium unit within an urban redevelopment site to allow an individual to own other real property;
- Amends the term "owner-occupied residential use" to include the renting or subleasing by the owner; and
- Allows for the sale of up to forty per cent of residential condominium units to qualified residents if there are units available after being advertised for sale for more than sixty days.

Status: PASSED, awaiting Governor's signature. Once signed, effective immediately.

Get Involved in CAI's Hawaii Advocacy Work through Your Local Chapter!

In addition to strong and effective advocacy work in Honolulu, CAI's Hawaii chapter provides information, resources, education programs and best practices designed to help you and your communities throughout Hawaii thrive.

Not a member yet? Join a growing global network of more than 51,000 community managers, management company executives, homeowner leaders, and business partners, and open up a world of opportunities for professional growth, networking and industry knowledge.

Find your local chapter at <https://www.caionline.org/find-a-chapter/>.

<p>Track HI Legislation CAI keeps track of legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.</p>	<p>CAI HI Legislative Resources and Contact Information CAI Hawaii Legislative Action Committee - (888) 224-4321 CAI Hawaii Chapter - (808) 532-7905</p>
<p>Support and Donate Today CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Hawaii. Learn More & Donate Today by Selecting "Hawaii."</p>	
<p>Register for CAI's 2026 Congressional Advocacy Summit - Sept. 24 in Washington, D.C. This exclusive members-only event brings together industry leaders and advocates to engage directly with members of Congress and their staff. As the premier advocacy event of the year for the</p>	

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community association housing model, CAI's Advocacy Summit offers a unique opportunity to meet face-to-face with federal lawmakers and help shape public policy impacting the industry.

[Learn More and Register](#)

Review CAI's Public Policy Positions



Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!



www.caionline.org/Ambassadors

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