
A BILL FOR AN ACT

RELATING TO ATTORNEY'S FEES.

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

1 SECTION 1. Section 514A-94, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) All costs and expenses, including reasonable attorneys'
4 fees, incurred by or on behalf of the association for:
5 (1) Collecting any delinquent assessments against any
6 owner's apartment;
7 (2) Foreclosing any lien thereon; or
8 (3) Enforcing any provision of the declaration, bylaws,
9 house rules, and the Condominium Property Act; or the
10 rules of the real estate commission;
11 against an owner, occupant, tenant, employee of an owner, or any
12 other person who may in any manner use the property shall be
13 promptly paid on demand to the association by such person or
14 persons; provided that if the claims upon which the association
15 takes any action are not substantiated, all costs and expenses,
16 including reasonable attorneys' fees, incurred by any such
17 person or persons as a result of the action of the association,
18 shall be promptly paid on demand to such person or persons by



1 the association. For purposes of this subsection, "reasonable
2 attorneys' fees" means an amount not more than twenty-five
3 percent of the principal amount due under paragraphs (1), (2),
4 and (3)."

5 SECTION 2. Section 514B-157, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) All costs and expenses, including reasonable
8 attorneys' fees, incurred by or on behalf of the association
9 for:

10 (1) Collecting any delinquent assessments against any
11 owner's unit;

12 (2) Foreclosing any lien thereon; or

13 (3) Enforcing any provision of the declaration, bylaws,
14 house rules, and this chapter, or the rules of the
15 real estate commission;

16 against an owner, occupant, tenant, employee of an owner, or any
17 other person who may in any manner use the property, shall be
18 promptly paid on demand to the association by such person or
19 persons; provided that if the claims upon which the association
20 takes any action are not substantiated, all costs and expenses,
21 including reasonable attorneys' fees, incurred by any such
22 person or persons as a result of the action of the association,



1 shall be promptly paid on demand to such person or persons by
 2 the association. For purposes of this subsection, "reasonable
 3 attorneys' fees" means an amount not more than twenty-five
 4 percent of the principal amount due under paragraphs (1), (2),
 5 and (3)."

6 SECTION 3. This Act does not affect rights and duties that
 7 matured, penalties that were incurred, and proceedings that were
 8 begun, before its effective date.

9 SECTION 4. New statutory material is underscored.

10 SECTION 5. This Act shall take effect upon its approval.

11


INTRODUCED BY:



Nunni



Rida T. R. Caponilla



JAN 23 2008



Report Title:

Attorney's Fees; Condominiums; Delinquent Assessments

Description:

Limits the recovery of attorney's fees in matters relating to condominium delinquent assessments, foreclosure of liens, or enforcement of any provision in the association's governing documents, to no more than twenty-five percent of the principal amount due.

