

JAN 19 2007

A BILL FOR AN ACT

RELATING TO PLANNED COMMUNITY ASSOCIATIONS.

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

1 SECTION 1. Chapter 421J, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§421J- Voluntary conveyance of unit. (a) Except as
5 provided in subsection (b), in the case of a voluntary
6 conveyance of a unit, the grantee of the unit shall be jointly
7 and severally liable with the grantor for all delinquent
8 assessments against the grantor for the grantor's share of the
9 common or other expenses due under the declaration until title
10 to the unit is transferred to the grantee, without prejudice to
11 the grantee's right to recover from the grantor the amounts paid
12 by the grantee.

13 (b) Any grantor or grantee shall be entitled to a
14 statement from the board, either directly or through its
15 manager, stating the amount of the delinquent assessments
16 against the grantor. The grantee shall not be liable for and
17 the unit transferred to the grantee shall not be subject to a
18 lien for any delinquent assessment against the grantor in excess



1 of the amount initially noted in the statement; provided that
2 the grantee may be liable for the amount of a check received by
3 the board from the grantor within thirty days prior to the
4 statement, if the check is subsequently dishonored."

5 SECTION 2. New statutory material is underscored.

6 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

Ray L. Dean



Report Title:

Planned Community Associations

Description:

Holds grantee of a unit jointly and severally liable with the grantor for delinquent assessments against the grantor.

