
A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. Section 514B-144, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Except for assessments under subsections (c), (d),
4 and (e), all common expenses shall be assessed against all the
5 units in accordance with the allocations under section 514B-41.
6 Any past due common expense assessment or installment thereof
7 shall bear interest at the rate established by the association,
8 provided that the rate shall not exceed eighteen per cent per
9 year. Any late fee for past due common expense assessments
10 shall not exceed twenty per cent of the monthly maintenance fee
11 in effect at the time the delinquency occurs. The late fee
12 shall be assessed monthly and may be charged for every month
13 that any past due common expense assessment remains unpaid."

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

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



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

3 (2) Foreclosing any lien thereon; or

4 (3) Enforcing any provision of the declaration, bylaws,
5 house rules, and this chapter, or the rules of the
6 real estate commission;

7 against an owner, occupant, tenant, employee of an owner, or any
8 other person who may in any manner use the property, shall be
9 promptly paid on demand to the association by such person or
10 persons; provided that the association shall give the delinquent
11 unit owner written notice of any delinquency no fewer than ten
12 business days before taking any action for which attorneys' fees
13 may be assessed; provided further that if the claims upon which
14 the association takes any action are not substantiated, all
15 costs and expenses, including reasonable attorneys' fees,
16 incurred by any such person or persons as a result of the action
17 of the association, shall be promptly paid on demand to such
18 person or persons by the association."

19 SECTION 3. New statutory material is underscored.

20 SECTION 4. This Act shall take effect on January 1, 2020.



Report Title:

Delinquent Condominium Assessments; Fee Caps

Description:

Limits any late fee for delinquent condominium common expense assessments to 20% of the monthly maintenance fee per month that any such assessment remains unpaid. Requires an association to give a unit owner 10 business days notice of any delinquent assessments before taking any action for which attorneys' fees may be assessed. Effective 01/01/2020. (HB355 HD1)

