

**LATE**

**SB2979**

Submitted on: 2/5/2014

Testimony for CPN on Feb 5, 2014 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
michele matsuo	Individual	Support	Yes

Comments: AOA boards should not be able to shift the insurance deductible to be borne by the innocent victims of common element failures. Thank you!

If it is the Committee's understanding that innocent unit owners may be forced to bear the burden of the insurance deductible to damaged common elements which damaged their units, then I further request the following revised language--the unbracketing of the term common elements and the addition of the word "or" as shown at the end of the 3rd line of (d)(3): "(d) The board, in the case of a claim for damage to a unit or the common elements, may: (1) Pay the deductible amount as a common expense; (2) After notice and an opportunity for a hearing, assess the deductible amount against the owners who caused the damage or from whose units the damage or cause of loss originated; or (3) Require the [unit] owners of the units affected to pay the deductible amount[.]; provided that the affected unit owners shall not be required to pay the deductible amount for a claim for damage to common elements or their units caused by common elements if the owners did not cause the damage to the common elements, or the damage or cause of loss did not originate from the owner's unit."

THE SENATE  
TWENTY-SEVENTH LEGISLATURE,  
2014  
STATE OF HAWAII

**S.B. NC**

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# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

SECTION 1. Section 514B-143, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) The board, in the case of a claim for damage to a unit or the common elements, may:

- (1) Pay the deductible amount as a common expense;
- (2) After notice and an opportunity for a hearing, assess the deductible amount against the owners who caused the damage or from whose units the damage or cause of loss originated; or
- (3) Require the [~~unit~~] owners of the units affected to pay the deductible amount[-]; provided that the affected unit owners shall not be required to pay the deductible amount for a claim for damage to [common elements] their units caused by common elements if the owners did not cause the damage to the common elements, or the damage or cause of loss did not originate from the owner's unit."

SECTION 2. This Act shall apply to any damage to common elements occurring from the effective date of this Act.

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

SECTION 4. This Act shall take effect on July 1, 2014.

INTRODUCED BY: \_\_\_\_\_

**Report Title:**

Condominiums; Damage Caused by Common Elements

[Damage]; Deductible

**Description:**

Repeals the authority of a condominium board to require owners to pay the insurance deductible for damage caused by common elements to [common elements affecting] their units if the damage was not caused by [them] the owners of those units or did not originate from their units.

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

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<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Juanita Kawamoto Brown	Individual	Support	No

Comments: I strongly support this bill. The desperate need for true affordable housing in Hawaii is already at a all time high and the purpose of this bill will address a problem that associations should handle and not pass this on to condo owners the current situation only helps insurance companies richer instead of helping home owners secure affordable housing. Please pass this bill.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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