

JAN 17 2020

A BILL FOR AN ACT

RELATING TO CONDOMINIUM ASSOCIATIONS.

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

1 SECTION 1. The legislature finds that Act 195, Session
2 Laws of Hawaii 2018 ("Act 195") created important and effective
3 rules relating to association foreclosures on condominiums. The
4 stated goals of Act 195 were to:

5 (1) Clarify that an association does not have to rescind
6 the notice of default and intention to foreclose or
7 restart the foreclosure by filing a new notice of
8 default and intent to foreclose if a unit owner
9 defaults on a payment plan to cure a nonjudicial
10 foreclosure agreed to by the parties;

11 (2) Specify that if a unit owner and an association have
12 agreed on a payment plan to prevent a nonjudicial
13 foreclosure from proceeding, any association fines
14 imposed while the payment plan is in effect shall not
15 be deemed a default under the payment plan;



- 1 (3) Clarify the obligations of a unit owner and an
2 association while a unit owner is not otherwise in
3 default under a payment plan;
- 4 (4) Clarify that the pay first, dispute later provisions
5 in Hawaii's condominium law apply only to common
6 expense assessments claimed by an association;
- 7 (5) Specify that a unit owner who disputes the amount of
8 an assessment may request a written statement about
9 the assessment from the association, including that a
10 unit owner may demand mediation prior to paying
11 contested charges, other than common expense
12 assessments; and
- 13 (6) Specify requirements for mediation on contested
14 charges, except for common expense assessments.

15 The legislature further finds that the amendments to the
16 Hawaii Revised Statutes made by Act 195 successfully effectuated
17 its purpose and should remain permanent.

18 The purpose of this Act is to repeal the sunset date of Act
19 195, Session Laws of Hawaii 2018, so the statutory amendments
20 remain permanent.



S.B. NO. 2421

1 SECTION 2. Act 195, Session Laws of Hawaii 2018, is
2 amended by amending section 6 to read as follows:

3 "SECTION 6. This Act shall take effect on July 1, 2018[
4 and shall be repealed on June 30, 2020, provided that sections
5 514B-105, 514B-146, and 667-94, Hawaii Revised Statutes, shall
6 be reenacted in the form in which they read on the day before
7 the effective date of this Act]."

8 SECTION 3. Statutory material to be repealed is bracketed
9 and stricken.

10 SECTION 4. This Act shall take effect on July 1, 2020.

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INTRODUCED BY:

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S.B. NO. 2421

Report Title:

Condominiums; Associations; Cure of Default; Common Expense Assessments; Nonjudicial Foreclosure; Sunset Provision

Description:

Repeals the sunset provision of Act 195, Session Laws of Hawaii 2018, permanently codifying the amendments to the sections 514B-105, 514B-146, and 667-94, Hawaii Revised Statutes.

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

