S.B. NO. <sup>329</sup> S.D. 1

# A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

SECTION 1. Section 514B-139, Hawaii Revised Statutes, is
 amended to read as follows:

3 "[4]\$514B-139[4] Upkeep of condominium; disposition of
4 unclaimed possessions. (a) When personalty in or on the common
5 elements of a project has been abandoned, the board may sell the
6 personalty in a commercially reasonable manner, store the
7 personalty at the expense of its owner, donate the personalty to
8 a charitable organization, or otherwise dispose of the
9 personalty in its sole discretion; provided that:

10	(1)	If the identity and address of the owner are known, no
11		sale, storage, [ <del>or</del> ] donation <u>, or other disposal</u> shall
12		occur until [ <del>sixty</del> ] <u>thirty</u> days after the [ <del>board</del>
13		complies with the following:
14	<del>(1)</del>	The] board notifies the owner in writing of:
15		(A) The identity and location of the personalty; and

16 (B) The board's intent to so sell, store, donate, or17 dispose of the personalty.



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1 Notification shall be by certified mail, return 2 receipt requested, to the owner's address as shown by 3 the records of the association or to an address 4 designated by the owner for the purpose of 5 notification or, if neither of these is available, to 6 the owner's last known address, if any; or 7 (2) If the identity or address of the owner is unknown, 8 the board [shall first advertise the sale, donation, 9 or disposition at least once in a daily paper of 10 general circulation within the circuit in which the 11 personalty is located.] may proceed directly to sell, 12 store, donate, or otherwise dispose of the personalty. 13 The proceeds of any sale or disposition of personalty (b) 14 under subsection [(a), ] (a) (1), after deduction of any accrued 15 costs of mailing, [advertising,] storage, and sale, shall be 16 held for the owner for thirty days. Any proceeds not claimed 17 within this period shall become the property of the association. 18 The proceeds of any sale or disposition of personalty under 19 subsection (a)(2) shall immediately become the property of the 20 association."



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- SECTION 2. Statutory material to be repealed is bracketed
   and stricken. New statutory material is underscored.
- 3 SECTION 3. This Act shall take effect upon its approval.



## S.B. NO. <sup>329</sup> S.D. 1

#### Report Title:

Condominiums; Board of Directors; Condominium Upkeep; Disposition of Unclaimed Possessions; Proceeds

### Description:

Shortens the notice period from sixty days to thirty days for a board to sell, store, donate, or dispose of personalty when the identity and address of the owner are known. Removes the publication requirement and permits the board of directors of a condominium association to proceed directly to the sale, storage, donation, or disposal of personalty that has been abandoned in or on the common elements of a condominium when the identity or address of the owner is unknown. (SD1)

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