**S.B. NO.** <sup>2876</sup> S.D. 1

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# A BILL FOR AN ACT

RELATING TO COMMON INTEREST COMMUNITIES.

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

1	SECTION 1. Section 421J-10, Hawaii Revised Statutes, is
2	amended by amending subsection (a) to read as follows:
3	"(a) All costs and expenses, including reasonable
4	attorneys' fees, incurred by or on behalf of the association
5	for:
6	(1) Collecting any delinquent assessments against any unit
7	or the owner of any unit;
8	(2) Foreclosing any lien on any unit; or
9	(3) Enforcing any provision of the association documents
10	or this chapter;
11	against a member, occupant, tenant, employee of a member, or any
12	other person who in any manner may use the property, shall be
13	promptly paid on demand to the association by such person or
14	persons; provided that if the association is not the prevailing
15	party, all costs and expenses, including reasonable attorneys'
16	fees, incurred by any such person or persons as a result of the
17	action of the association, shall be promptly paid on demand to

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1	the person by the association $[-]$ ; provided further that the
2	association or board of directors shall not expend association
3	funds to enforce against de minimis infractions of association
4	bylaws, rules, or regulations. The reasonableness of any
5	attorney's fees paid by a person or by an association as a
6	result of an action pursuant to paragraph (2) shall be
7	determined by the court.
8	For purposes of this subsection, a "de minimis infraction"
9	means a technical violation of a bylaw, rule, or regulation that
10	results in not more than three complaints from separate units
11	within a calendar year, or does not result in a fine of more
12	than \$500 per violation pursuant to the bylaws, rules, or
13	regulations of the association."
14	SECTION 2. Section 514B-104, Hawaii Revised Statutes, is
15	amended by amending subsection (b) to read as follows:
16	"(b) If a tenant of a unit owner violates the declaration,
17	bylaws, or rules and regulations of the association, in addition
18	to exercising any of its powers against the unit owner, the
19	association may:
20	(1) Exercise directly against the tenant the powers
21	described in subsection (a)(11);

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1 (2) After giving notice to the tenant and the unit owner 2 and an opportunity to be heard, levy reasonable fines 3 against the tenant for the violation, provided that a 4 unit owner shall be responsible for the conduct of the 5 owner's tenant and for any fines levied against the 6 tenant or any legal fees incurred in enforcing the 7 declaration, bylaws, or rules and regulations of the association against the tenant; and 8 9 (3) Enforce any other rights against the tenant for the 10 violation, which the unit owner as landlord could 11 lawfully have exercised under the lease, including 12 eviction, or which the association could lawfully have 13 exercised directly against the unit owner, or both. 14 The association or board of directors shall not expend 15 association funds to enforce against de minimis infractions of 16 association bylaws, rules, or regulations; provided that a "de minimis infraction" means a technical violation of a bylaw, 17 18 rule, or regulation that results in not more than three complaints from separate units within a calendar year, or does 19 not result in a fine of more than \$500 per violation pursuant to 20 the bylaws, rules, or regulations." 21

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

3 SECTION 4. This Act shall take effect upon its approval.



### **S.B. NO.** <sup>2876</sup> S.D. 1

Report Title: Planned Community Associations; Condominiums; Association Funds

#### Description:

Prohibits planned community associations, condominium associations, or their boards of directors from expending association funds to enforce de minimis violations of association bylaws, rules, or regulations that result in not more than three complaints from separate units within a calendar year or result in a fine of not more than \$500 per violation pursuant to the bylaws, rules, or regulations. (SD1)

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

