

JAN 23 2025

# A BILL FOR AN ACT

RELATING TO FORECLOSURES.

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

SECTION 1. Section 657-1, Hawaii Revised Statutes, is amended to read as follows:

"§657-1 Six years. The following actions shall be commenced within six years next after the cause of action accrued, and not after:

(1) Actions for the recovery of any debt founded upon any contract, obligation, ~~[ex]~~ liability, note, or mortgage note, excepting ~~[such as are]~~ actions brought upon the judgment or decree of a court; excepting further that actions for the recovery of any debt founded upon any contract, obligation, or liability made pursuant to chapter 577A shall be governed by chapter 577A;

(2) Actions upon judgments or decrees rendered in any court not of record in the State, or, subject to section 657-9, in any court of record in any foreign jurisdiction;



- 1 (3) Actions for taking or detaining any goods or chattels,  
2 including actions in the nature of replevin; and  
3 (4) Personal actions of any nature whatsoever not  
4 specifically covered by the laws of the State."

5 SECTION 2. Section 667-38, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "§667-38 Deficiency judgment against ~~[owner-occupant]~~  
8 residential property owners prohibited. Upon completion of the  
9 ~~[nonjudicial]~~ foreclosure of residential property pursuant to  
10 this part, the mortgagee or other person, excluding an  
11 association, shall not be entitled to pursue or obtain a  
12 deficiency judgment against ~~[an owner-occupant]~~ a residential  
13 property owner unless the debt is secured by other collateral.  
14 The debts of other lien creditors are unaffected except as  
15 provided in this part."

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 Statutory material to be repealed is bracketed  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

18 SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY: *Carol Fukuoka*



# S.B. NO. 1576

**Report Title:**

Limitations of Actions; Judicial Foreclosures; Nonjudicial Foreclosures; Residential Property Owners; Deficiency Judgments; Prohibited

**Description:**

Clarifies the limitation of actions to recover debts related to notes and mortgage notes shall be six years. Prohibits creditors from pursuing deficiency judgments against residential property owners upon completion of a judicial or nonjudicial foreclosure.

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

