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# A BILL FOR AN ACT

RELATING TO CONDOMINIUM ASSOCIATIONS.

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

1 PART I

2 SECTION 1. The legislature finds that section 514B-146,  
3 Hawaii Revised Statutes, was amended during the regular session  
4 of 2013 to address, in part, the timing of the payment to a  
5 condominium association of the six-month special assessment for  
6 unpaid common expenses pursuant to section 514B-146(g) and (h),  
7 Hawaii Revised Statutes. However, the term "other purchaser"  
8 was inadvertently left out of the amended statute, and needs to  
9 be added back in to section 514B-146(g), Hawaii Revised  
10 Statutes, in order to clarify, correct, and mitigate disputes  
11 resulting from the absence of this term.

12 The purpose of this part is to make a housekeeping  
13 amendment to State condominium laws.

14 SECTION 2. Section 514B-146, Hawaii Revised Statutes, is  
15 amended by amending subsection (g) to read as follows:

16 "(g) Subject to this subsection, and subsections (h) and  
17 (i), the board may specially assess the amount of the unpaid  
18 regular monthly common assessments for common expenses against a



1 mortgagee or other purchaser who, in a judicial or nonjudicial  
2 power of sale foreclosure, purchases a delinquent unit; provided  
3 that the mortgagee or other purchaser may require the  
4 association to provide at no charge a notice of the  
5 association's intent to claim lien against the delinquent unit  
6 for the amount of the special assessment, prior to the  
7 subsequent purchaser's acquisition of title to the delinquent  
8 unit. The notice shall state the amount of the special  
9 assessment, how that amount was calculated, and the legal  
10 description of the unit."

11 PART II

12 SECTION 3. Section 514B-106, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14 "(b) The board may not act on behalf of the association to  
15 amend the declaration or bylaws (sections 514B-32(a)(11) and  
16 514B-108(b)(7)), to remove the condominium from the provisions  
17 of this chapter (section 514B-47), or to elect members of the  
18 board or determine the qualifications, powers and duties, or  
19 terms of office of board members (subsection (e)); provided that  
20 nothing in this subsection shall be construed to prohibit board  
21 members from voting proxies (section 514B-123) to elect members  
22 of the board; and provided further that notwithstanding anything



1 to the contrary in the declaration or bylaws, the board may only  
2 fill vacancies in its membership to serve until the next annual  
3 or duly noticed special association meeting. Notice of a  
4 special association meeting to fill vacancies shall include  
5 notice of the election. Any special association meeting to fill  
6 vacancies shall be held on a date that allows sufficient time  
7 for owners to declare their intention to run for election and to  
8 solicit proxies for that purpose."

9 PART III

10 SECTION 4. New statutory material is underscored.

11 SECTION 5. This Act shall take effect on July 1, 2014.



**Report Title:**

Condominium Association; Unpaid Common Fees Assessments; Board Elections

**Description:**

Clarifies that a condominium association may assess unpaid common fees against any purchaser who purchases a delinquent unit in a foreclosure. Specifies that a condominium board may only fill board vacancies temporarily until a duly noticed election. Effective July 1, 2014. (SB2483 HD1)

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

