
A BILL FOR AN ACT

RELATING TO FORECLOSURES.

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

1 SECTION 1. The legislature finds that Act 162, Session
2 Laws of Hawaii 2010, established a mortgage foreclosure task
3 force to recommend policies and procedures to improve the way
4 mortgage foreclosures are conducted in the State. Act 162
5 required the task force to submit its findings and
6 recommendations, including any proposed legislation, to the
7 legislature for the regular sessions of 2011 and 2012.

8 The task force held several public meetings over the
9 legislative interim of 2010 to discuss the various items for
10 review raised under Act 162. Based upon these discussions, the
11 task force adopted recommendations, including proposed
12 legislation, in its report to the legislature for the regular
13 session of 2011. Some of the task force's recommendations were
14 included in Act 48, Session Laws of Hawaii 2011, a far-reaching
15 mortgage foreclosure reform measure that, among other things:

16 (1) Temporarily authorized mortgagors who are occupying,
17 as a primary residence, real property that is subject
18 to nonjudicial foreclosure to either:



- 1 (A) Participate in the mortgage foreclosure dispute
- 2 resolution program established under Act 48; or
- 3 (B) Convert the nonjudicial foreclosure to a judicial
- 4 foreclosure;

5 (2) Imposed a temporary moratorium on all new nonjudicial
6 foreclosures conducted under part I of chapter 667,
7 Hawaii Revised Statutes; and

8 (3) Specified prohibited conduct and consequences of
9 violations for foreclosing mortgagees, including
10 making any violation of the mortgage foreclosure law
11 under chapter 667, Hawaii Revised Statutes, an unfair
12 or deceptive act or practice subject to the enhanced
13 penalties under chapter 480, Hawaii Revised Statutes.

14 The task force met again over several public meetings
15 during the legislative interim of 2011 to continue its work
16 under Act 162. The focus of these meetings was divided among
17 these major issues:

18 (1) The new mortgage foreclosure provisions of Act 48,
19 Session Laws of Hawaii 2011;

20 (2) Matters involving condominium and other homeowner
21 associations, including association liens and the
22 collection of unpaid assessments; and



1 (3) Mortgage foreclosure counseling and dispute resolution
2 issues.

3 Based on its deliberations on these issues, the task force
4 adopted further recommendations in its report to the legislature
5 for the regular session of 2012.

6 SECTION 2. The Hawaii Revised Statutes are amended to
7 implement the recommendations of the task force.

8 SECTION 3. This Act shall take effect on July 1, 2030.



Report Title:

Mortgage Foreclosure Task Force

Description:

Serves as a vehicle to implement the 2011 recommendations of the mortgage foreclosure task force. Effective July 1, 2030.
(SB2429 HD1)

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