JAN 2 0 2017

### A BILL FOR AN ACT

RELATING TO RESIDENTIAL REAL PROPERTY.

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

1 SECTION 1. Chapter 421J, Hawaii Revised Statutes, is 2 amended by adding a new section to be appropriately designated and to read as follows: 3 4 Prompt repair of damages. If damage is 5 inflicted on the common areas within a planned community that 6 affects a unit owned by a member, the member responsible for the 7 damage, or the association or a management company on the 8 association's behalf, if it is responsible, is liable for the 9 prompt repair thereof; provided that: 10 Where the association or management company is liable (1) 11 for repairs and the management company, on the 12 association's behalf, fails to complete the repairs 13 within six months, the management company shall be 14 liable for double the amount of damages; 15 When a management company fails to pay for damages as (2) 16 required by this section, the association may deduct

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1	that amount from any fees the association owes to th
2	management company; and
3	(3) The association shall not be responsible to pay the
4	costs of removing or replacing any finished surfaces
5	or other barriers that impede its ability to maintai
6	and repair the common areas."
7	SECTION 2. Section 514B-137, Hawaii Revised Statutes, is
8	amended by amending subsection (a) to read as follows:
9	"(a) Except to the extent provided by the declaration or
10	bylaws, the association is responsible for the operation of th
11	property, and each unit owner is responsible for maintenance,
12	repair, and replacement of the owner's unit. Each unit owner
13	shall afford to the association and the other unit owners, and
14	to employees, independent contractors, or agents of the
15	association or other unit owners, during reasonable hours,
16	access through the owner's unit reasonably necessary for those
17	purposes. Unless entry is made pursuant to subsection (b), if
18	damage is inflicted on the common elements or on any unit
19	through which access is taken, the unit owner responsible for
20	the damage, or the association $[ ]_{7} $ ] or a managing agent on the

1	associati	on's behalf, if it is responsible, is liable for the
2	prompt re	pair thereof; provided that [the]:
3	(1)	Where the association or managing agent is liable for
4		repairs and the managing agent, on the association's
5		behalf, fails to complete the repairs within six
6		months, the managing agent shall be liable for double
7		the amount of damages;
8	(2)	Where a managing agent fails to pay for damages as
9		required in this subsection, the association may
10		deduct that amount from any fees the association owes
11		to the management company; and
12	(3)	The association shall not be responsible to pay the
13	,	costs of removing or replacing any finished surfaces
14		or other barriers that impede its ability to maintain
15		and repair the common elements."
16	SECT	ION 3. Statutory material to be repealed is bracketed
17	and stric	ken. New statutory material is underscored.
18	SECT	ION 4. This Act shall take effect upon its approval.
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INTRODUCED BY:

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### S.B. NO. **297**

### Report Title:

Real Property; Planned Community Associations; Condominiums; Management Companies; Managing Agents; Damages; Repairs

#### Description:

Requires prompt repair of any damages to the common areas or common elements in a planned community association or condominium. Specifies that if a management company or managing agent is responsible for repairs on an association's behalf and fails to complete the repairs within six months, then the management company or managing agent shall be liable for double the amount of damages. Specifies that when a management company or managing agent fails to pay for damages, the association may deduct that amount from any fees the association owes to the management company or managing agent.

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