

JAN 24 2018

A BILL FOR AN ACT

RELATING TO CONDOMINIUMS.

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

1 SECTION 1. Section 514A-15.1, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+] §514A-15.1 [+]~~ Common expenses; prior late charges.

4 ~~[No]~~ Notwithstanding anything contrary in the declaration and
5 bylaws of an association, no association of apartment owners
6 shall deduct and apply portions of common expense payments
7 received from an apartment owner to unpaid late fees (other than
8 amounts remitted by an apartment owner in payment of late fees)
9 ~~[unless it delivers or mails a written notice to such apartment~~
10 ~~owner, at least seven days prior to the first such deduction,~~
11 ~~which states that:~~

12 ~~(1) Failure to pay late fees will result in the deduction~~
13 ~~of late fees from future common expense payments, so~~
14 ~~long as a delinquency continues to exist.~~

15 ~~(2) Late fees shall be imposed against any future common~~
16 ~~expense payment which is less than the full amount~~



1 ~~owed due to the deduction of unpaid late fees from~~
2 ~~such payment] ."~~

3 SECTION 2. Section 514B-105, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) ~~[No]~~ Notwithstanding any provisions to the contrary
6 in the declaration or bylaws of an association, no association
7 shall deduct and apply portions of common expense payments
8 received from a unit owner to unpaid late fees, legal fees,
9 fines, and interest (other than amounts remitted by a unit in
10 payment of late fees, legal fees, fines, and interest) [unless
11 ~~the board adopts and distributes to all owners a policy stating~~
12 ~~that:~~

13 ~~(1) Failure to pay late fees, legal fees, fines, and~~
14 ~~interest may result in the deduction of such late~~
15 ~~fees, legal fees, fines, and interest from future~~
16 ~~common expense payments, so long as a delinquency~~
17 ~~continues to exist; and~~

18 ~~(2) Late fees may be imposed against any future common~~
19 ~~expense payment that is less than the full amount owed~~
20 ~~due to the deduction of unpaid late fees, legal fees,~~
21 ~~fines, and interest from the payment] ."~~



S.B. NO. 2949

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 Statutory material to be repealed is bracketed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


3 SECTION 4. This Act shall take effect upon its approval.
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INTRODUCED BY: _____


Clarence R. Inouye

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S.B. NO. 2949

Report Title:

Condominiums; Common Expense Payments

Description:

Clarifies the powers of condominium associations regarding the deduction and application of a portion of an owner's common expense payments to unpaid late fees, legal fees, fines, and interest.

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

