

ACT 28

H.B. NO. 867

A Bill for an Act Relating to Condominium Property Regimes.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 514A-83.6, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

“(j) As used in this section:

“Capital expenditure” means an expense [which] that results from the purchase or replacement of an asset whose life is greater than one year, or the addition of an asset [which] that extends the life of an existing asset for a period greater than one year.

“Emergency situation” means any [of the following] extraordinary expenses:

- (1) [An extraordinary expense required] Required by an order of a court;
- (2) [An extraordinary expense necessary] Necessary to repair or maintain any part of the property for which the association is responsible where a threat to personal safety on the property is discovered;
- (3) [An extraordinary expense necessary] Necessary to repair any part of the property for which the association is responsible that could not have been reasonably foreseen by the board in preparing and distributing the annual operating budget; or
- (4) [An extraordinary expense necessary] Necessary to respond to any legal or administrative proceeding brought against the association that could not have been reasonably foreseen by the board in preparing and distributing the annual operating budget.
- (5) Necessary for the association to obtain adequate insurance for the property which the association must insure.

“Major maintenance” means an expenditure for maintenance or repair [which] that will result in extending the life of an asset for a period greater than one year.

“Replacement reserves” means funds for the upkeep, repair, or replacement of those parts of the property, including, but not limited to roofs, walls, decks, paving, and equipment, [which] that the association is obligated to maintain.”

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SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 24, 1995.)