



GOV. MSG. NO. 1301

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 27, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 27, 2022, the following bill was signed into law:

SB3324 SD2 HD2 CD1

RELATING TO INFRASTRUCTURE
MAINTENANCE IN HOUSING SUBDIVISIONS.
ACT 200

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor

on JUN 27 2022

THE SENATE
THIRTY-FIRST LEGISLATURE, 2022
STATE OF HAWAII

ACT 200
S.B. NO. 3324
S.D. 2
H.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO INFRASTRUCTURE MAINTENANCE IN HOUSING SUBDIVISIONS.

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

1 SECTION 1. The legislature finds that some housing
2 subdivisions in the State have been approved without a
3 requirement that the lot owners fund the repair and maintenance
4 of the private roads and other infrastructure within the
5 subdivision. Unlike condominium property regimes, many housing
6 subdivisions are not subject to a statutory framework or an
7 oversight agency to oversee the creation, monitoring, training,
8 and auditing of the various volunteer associations responsible
9 for the subdivision infrastructure. Accordingly, the judicial
10 system has created a patchwork system through judgments in
11 various lawsuits that does not provide adequate oversight.

12 The legislature further finds that in the case of *Paradise*
13 *Hui Hanalike v. Hawaiian Paradise Park Corp.*, 66 Haw. 362, 662
14 P.2d 211 (1983), the Hawaii supreme court found that lot owners
15 whose lots abut on subdivision roads have a legal duty to
16 contribute to the necessary maintenance of those subdivision
17 roads even though their deeds are silent on the matter. More
18 recently, in *Kaanapali Hillside Homeowners' Ass'n ex rel. Bd of*



1 *Directors v. Doran*, 112 Hawaii 356, 145 P.3d 899 (Ct. App.
2 2006), property owners questioned an association's authority to
3 impose an assessment because that authority was not recorded
4 against the property owners' lot.

5 The legislature additionally finds that there is currently
6 no oversight agency for some associations whose assessment
7 collections are more than \$1,000,000 per year. The inability to
8 collect assessments from lot owners of some subdivisions with no
9 court-approved corporation, association, or entity results in
10 substandard and deeply rutted roads that can delay emergency
11 vehicles that respond to emergency situations, including crime
12 scenes. Furthermore, numerous structures have been destroyed
13 because a fire truck was not able to arrive in time.

14 Accordingly, the purpose of this Act is to establish a
15 working group to examine and address the problem of
16 infrastructure repair and maintenance in planned housing
17 subdivisions that do not have compulsory homeowner associations.

18 SECTION 2. (a) There is established a working group to
19 examine and address housing subdivision infrastructure repair
20 and maintenance for planned housing subdivisions that do not
21 have compulsory homeowner associations in counties with



1 populations greater than one hundred seventy thousand but less
2 than three hundred thousand.

3 (b) The working group shall comprise the following:

4 (1) One member of the house of representatives who
5 represents an affected district in the affected
6 county;

7 (2) One member of the senate who represents an affected
8 district in the affected county;

9 (3) One member of the office of the mayor of an affected
10 county, or designee;

11 (4) One member from the Hawaii Council of Community
12 Associations;

13 (5) One member from the Hawaii Chapter of the Community
14 Associations Institute;

15 (6) One community stakeholder from an affected district to
16 be designated by the senate member on the working
17 group; and

18 (7) One community stakeholder from an affected district to
19 be designated by the member of the house of
20 representatives on the working group.



- 1 (c) The working group shall examine and address the
2 following:
- 3 (1) The development of one or two homeowner associations;
 - 4 (2) The procedures for establishment of a homeowner
5 association to maintain and repair the subdivision
6 infrastructure, such as roads, street lighting, and
7 other appurtenances, used by the subdivision
8 residents; and including the payment and collection of
9 assessments;
 - 10 (3) The role of each county in paragraph (2);
 - 11 (4) Amendments to chapter 421J, Hawaii Revised Statutes,
12 if any, to address planned housing subdivision
13 infrastructure repair and maintenance for subdivisions
14 that do not have compulsory homeowner associations;
15 and
 - 16 (5) Any other issues that may arise, pursuant to the
17 discretion of the working group.
- 18 (d) The working group shall submit a report of its
19 findings and recommendations, including any proposed
20 legislation, to the legislature no later than twenty days prior
21 to the convening of the regular session of 2024.



1 (e) The members of the working group shall serve without
2 compensation but shall be reimbursed for expenses, including
3 travel expenses, necessary for the performance of their duties;
4 provided that working group meetings may be held remotely;
5 provided further that staff to support the working group shall
6 be provided by the legislative members.

7 (f) The working group shall be dissolved on June 30, 2024.

8 SECTION 3. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$100,000 or so much
10 thereof as may be necessary for fiscal year 2022-2023 for the
11 purposes of the working group established by this Act.

12 The sum appropriated shall be expended by the county or
13 counties specified in section 2(a) of this Act.

14 SECTION 4. This Act shall take effect upon its approval;
15 provided that section 3 of this Act shall take effect on July 1,
16 2022.



S.B. NO.

3324
S.D. 2
H.D. 2
C.D. 1

APPROVED this 27th day of June , 2022

A handwritten signature in black ink, reading "David I. Ige". The signature is written in a cursive style with a large, sweeping flourish at the end.

GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 3, 2022
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai‘i, Regular Session of 2022.


President of the Senate


Clerk of the Senate

SB No. 3324, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives