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HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO CONVENE A WORKING GROUP ON THE GOVERNANCE OF HOUSING SUBDIVISIONS IN THE PUNA DISTRICT, HAWAII COUNTY.

WHEREAS, in the 1960s, large subdivisions were approved by 2 the counties, particularly in the Puna District of the County of Hawaii, that did not require the creation of a homeowner's association for the governance of shared roads or infrastructure; and

WHEREAS, without a homeowner's association or entity to require landowners to contribute to the maintenance of roads, subdivision roads fell into a state of disrepair, which have caused emergency vehicles such as ambulances and firetrucks to be slowed and damaged when driving through and navigating unpaved, unmaintained roads; and

WHEREAS, the most famous case of delayed ambulance arrival was that in 1991 of Dana Ireland, a victim of a brutal assault who died prior to the arrival of emergency services, as an ambulance experienced difficulties navigating a Puna road that was in a significant state of disrepair; and

WHEREAS, without an existing homeowner's association, landowners themselves undertook the responsibility to rally their neighbors to contribute time and funds toward the creation and maintenance of shared roads, a system that has led to neighborhood assaults; and

WHEREAS, lawsuits such as the Paradise Hui Hanalike v. Hawaiian Paradise Park Corporation, 66 Haw. 362, 662 P.2d 211 (1983), have resulted in thousands of dollars in attorney fees to litigants unsuccessfully seeking to have the courts approve the entities needed to collect the road maintenance dues; and

WHEREAS, there is a lack of statutory guidance regarding the rights and responsibilities of homeowners or entities regarding shared roads and infrastructures that are not owned by an association or similar entity; and

WHEREAS, while some subdivisions have been successful in the creation of a court-approved entity to collect contributions from landowners, there is still a lack of oversight and absence of a dispute resolution process that offers landowners the right to appeal the assessments made by the entities regarding contributions or the use of monies for shared road and infrastructure maintenance and improvement; now, therefore,

 BE IT RESOLVED by the House of Representatives of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2022, that the Department of Commerce and Consumer Affairs is requested to convene a working group on the governance of housing subdivisions in the Puna District, Hawaii County; and

BE IT FURTHER RESOLVED that the working group is requested to:

(1) Review the procedures and administrative rules within the Department of Commerce and Consumer Affairs that have effectively established and governed condominium associations that can be applied to a framework for governance of these subdivisions; and

(2) Recommend applicable procedures and rules that may be utilized for the establishment of a governing entity, including a basic set of bylaws that provide a framework for notice, voting, and governance; and

BE IT FURTHER RESOLVED that the following individuals are requested to serve as members of the working group:

(1) A member of the House of Representatives who represents the affected district in the affected county;

(2) A member of the Senate who represents the affected district in the affected county;

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- (3) A member of the Office of the Mayor for the affected county, or the Mayor's designee;
- (4) A representative from the Department of Commerce and Consumer Affairs Real Estate Branch;
- (5) Representatives from the Hawaii Council of Community Associations as designated by the President of the Senate;
- (6) Representatives from the Hawaii Chapter of the Community Associations Institute as designated by the Speaker of the House of Representatives;
- (7) One community stakeholder as designated by the President of the Senate; and
- (8) One community stakeholder as designated by the Speaker of the House of Representatives; and

BE IT FURTHER RESOLVED that the working group is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2023; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Supervising Executive Officer of the Department of Commerce and Consumer Affairs Real Estate Branch, Mayor of Hawaii County, President of the Hawaii Council of Community Associations, and Chairperson of the Community Associations Institute, Hawaii Chapter.