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# 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.



**Report Title:**

Housing Subdivisions; Infrastructure Repair and Maintenance;  
Working Group; Counties; Appropriation

**Description:**

Establishes a working group to examine and address the problem of infrastructure repair and maintenance in planned housing subdivisions that do not have compulsory homeowner associations. Requires a report to the legislature before the 2024 regular session. Appropriates funds. (CD1)

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

