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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



1 recently, in *Kaanapali Hillside Homeowners' Ass'n ex rel. Bd of*  
2 *Directors v. Doran*, 112 Hawai'i 356, 145 P.3d 899 (App. 2006),  
3 property owners questioned an association's authority to impose  
4 an assessment because that authority was not recorded against  
5 the property owners' lot.

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

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

19 SECTION 2. (a) There is established a working group to  
20 examine and address housing subdivision infrastructure repair  
21 and maintenance for planned housing subdivisions that do not



1 have compulsory homeowner associations in counties with  
2 populations greater than one hundred seventy thousand but less  
3 than three hundred thousand.

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

5 (1) A member of the house of representatives who  
6 represents the affected district in the affected  
7 county;

8 (2) A member of the senate who represents the affected  
9 district in the affected county;

10 (3) A member of the office of the mayor for the affected  
11 county, or the mayor's designee;

12 (4) Representatives from the Hawaii Council of Community  
13 Associations as designated by the president of the  
14 senate;

15 (5) Representatives from the Hawaii Chapter of the  
16 Community Associations Institute as designated by the  
17 speaker of the house of representatives;

18 (6) One community stakeholder as designated by the  
19 president of the senate; and

20 (7) One community stakeholder as designated by the speaker  
21 of the house of representatives.



- 1 (c) The working group shall examine and address the  
2 following:
- 3 (1) The location, condition, and cost of improving and  
4 maintaining substandard and deteriorating roads and  
5 other infrastructure;
  - 6 (2) The development of one or two homeowner associations;
  - 7 (3) The payment and collection of assessments necessary  
8 for the repair and maintenance of planned housing  
9 subdivision roads;
  - 10 (4) The payment and collection of assessments necessary  
11 for the repair and maintenance of planned housing  
12 subdivision infrastructure and appurtenances, other  
13 than roads;
  - 14 (5) The role of each county in paragraphs (3) and (4);
  - 15 (6) Amendments to chapter 421J, Hawaii Revised Statutes,  
16 if any, needed to address planned housing subdivision  
17 infrastructure repair and maintenance for subdivisions  
18 that do not have compulsory homeowner associations;  
19 and
  - 20 (7) Any other issues that may arise, pursuant to the  
21 discretion of the working group.



1 (d) The working group shall submit a report of its  
2 findings and recommendations, including any proposed  
3 legislation, to the legislature no later than twenty days prior  
4 to the convening of the regular session of 2024.

5 (e) The members of the working group shall serve without  
6 compensation but shall be reimbursed for expenses, including  
7 travel expenses, necessary for the performance of their duties.

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

9 SECTION 3. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ or so  
11 much thereof as may be necessary for fiscal year 2022-2023 for  
12 the purposes of the working group established by this Act;  
13 provided that no funds shall be made available under this Act  
14 unless matched dollar-for-dollar by the county specified in  
15 section 2(a) of this Act.

16 The sum appropriated shall be expended by the county  
17 specified in section 2(a) of this Act.

18 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

Housing Subdivisions; Infrastructure Repair and Maintenance;  
Assessments; Working Group; Counties; Homeowner Associations;  
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 prior to the 2024 regular session. Appropriates funds subject to a county contribution of matching funds. Effective 7/1/2050. (HD1)

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