S.R. NO. 16

MAR 2 - 2006

SENATE RESOLUTION

REQUESTING THE BUREAU OF CONVEYANCES TO ALLOW A DEFENDANT TO FILE A SATISFACTION OF JUDGMENT.

WHEREAS, the Department of Land and Natural Resources, through the Bureau of Conveyances, is responsible for creating rules for the recordation of title documents, including courtissued judgments; and

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WHEREAS, under section 636-3, Hawaii Revised Statutes, when a court enters judgment and a defendant is required to submit payment to the plaintiff, it is the plaintiff's responsibility to execute, acknowledge, and deliver to the defendant a satisfaction of the judgment, which may be recorded in the Bureau of Conveyances; and

WHEREAS, if the plaintiff fails to execute, acknowledge, and deliver a satisfaction of judgment to the defendant, and the judgment is not recorded as being paid, it may remain as a lien against the defendant; and

WHEREAS, the plaintiff's failure to acknowledge a satisfaction of judgment despite payment may result in negative consequences for a defendant; and

 WHEREAS, the statute states that "when any such judgment is fully paid, the creditor or creditor's attorney of record in the action shall, at the expense of the debtor, execute, acknowledge, and deliver to the debtor a satisfaction thereof, which may be recorded in the bureau [of conveyances]"; and

WHEREAS, this language can credibly be interpreted as allowing either party to record the satisfaction of judgment; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, that the Department of Land and Natural Resources and the Bureau of Conveyances are requested to change their procedures to allow a defendant to record proof of satisfaction of a judgment as 4

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evidence in the records system that a judgment has been paid; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Department of Land and Natural Resources and the Registrar of the Bureau of Conveyances.

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