LINDA LINGLE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of LAURA H. THIELEN Chairperson

Before the House Committee on JUDICIARY

Friday, February 13, 2009 2:20 PM State Capitol, Conference Room 325

In consideration of HOUSE BILL 268 RELATING TO LAND COURT

House Bill 268 proposes that the Assistant Registrar of the Land Court be required to provide to the Administrator of the Real Property Assessment Division of the City and County of Honolulu, an image and index of all documents relating to registered land recorded in the Office of the Assistant Registrar. Further, this information is to be provided within ten days of the week of recording and without charge. The Department of Land and Natural Resources (Department) is opposed to this bill.

Currently, the Assistant Registrar has been meeting with the Administrator of the Real Property Assessment Division of the City and County of Honolulu to develop a process of transmitting the images and index information. Even though the Office of the Assistant Registrar does not require the tax map key numbers to be captured, the City and County of Honolulu requests the tax map key number to be included with the index information. In an effort to work toward a common goal of providing information to the City and County of Honolulu, the staff of the Assistant Registrar has begun inputting the tax map key numbers.

The Department believes this is unnecessary legislation. The Office of the Assistant Registrar and the Administrator of the Real Property Assessment Division of the City and County of Honolulu should be able to accomplish this transfer of information through a continued effort of working together to achieve this goal.

LAURA H. THIELEN
CHAIRPERSON
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LAND
STATE PARKS



Nancy E. Crawford Director

> Deanna S. Sako Deputy Director

County of Hawaii

Finance Department

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February 12, 2009

The Honorable Jon Riki Karamatsu, Chair and Members of the House Judiciary Committee Hawai'i State Capitol 415 South Beretania Street Honolulu, Hawai'i 96813

Dear Chair Karamatsu and Members of the Committee:

RE: Testimony in Support of House Bill No. 268
Hearing Friday, February 13, 2009, at 2:20 p.m., Conference Room 325

The Department of Finance, County of Hawai'i, Real Property Tax Division is tasked with assessing real property and maintaining current ownership records for Ad Valorum tax purposes. We strongly support H.B. 268, relating to the Land Court, requiring the assistant registrar of the land court to provide, within 10 days and free of charge, an image and index of all instruments that contain real property transactions each week to the administrator of the City and County of Honolulu's real property assessment division.

.The City and County of Honolulu's real property assessment division will then make that data available to the other counties. This amendment enables the counties to promptly track property ownership, encumbrances, restrictions, uses, and sales prices for real property tax assessment and billing purposes. Access to the documents filed at the Land Court is critical to the counties' real property assessment programs.

This transfer of data has, to date, been dependent on private agreements and these agreements are currently in jeopardy. The real property divisions face the prospect of either adding greatly to the costs of running the real property assessment process or worse being cut off from data needed to function.

Other jurisdictions assessing a real property tax have similar mechanisms in place requiring the rapid and accurate transfer of all conveyances on a regular basis from their regular registrars to the various assessment offices recognizing the vital nature of this link.

We urge the committee to pass this extremely important bill which along with a complementary bill addressing the Regular System (H.B. 269) as this would give the counties the means to equitably administer their real property tax programs in a timely and cost effective manner.

Thank you for your attention to our concerns.

Sincerely,

Nancy Crawford

Director of Finance

Bernard P. Carvalho, Jr. Mayor

Wallace G. Rezentes, Jr. Director of Finance

Gary K. Heu Administrative Assistant Belma A. Baris
Deputy Director of Finance

COUNTY OF KAUAI DEPARTMENT OF FINANCE

TESTIMONY OF THE COUNTY OF KAUAI FINANCE DIRECTOR WALLACE G. REZENTES, JR.

TO THE HOUSE JUDICIARY COMMITTEE

TWENTY-FIFTH LEGISLATURE REGULAR SESSION OF 2009

February 13, 2009

TESTIMONY ON HB 268 & HB 269, RELATING TO REAL PROPERTY TAXATION

TO THE HONORABLE JON RIKI KARAMATSU, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Wallace G. Rezentes, Jr., Finance Director, County of Kaua'i, providing support testimony on HB 268 & HB 269, Relating to Land Court and Real Property Taxation, respectively, which enable the counties to obtain information in a timely manner without charge. Access to images and indexes of documents and other information filed at the Bureau of Conveyances and Land Court, including but not limited to ownership, encumbrances, restrictions, uses, and sales prices are critical in the daily operation of the Real Property Tax Division.

We urge you to please consider these extremely important bills which would give the counties the means to equitably administer their real property tax programs in a timely and cost effective manner.

DEPARTMENT OF BUDGET AND FISCAL SERVICES

CITY AND COUNTY OF HONOLULU

REAL PROPERTY ASSESSMENT DIVISION
33 SOUTH KING STREET, #101 * HONOLULU, HAWAII 96813
PHONE: (808) 768-7901 * FAX (808) 768-7782
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MUFI HANNEMANN MAYOR



February 13, 2009

RIX MAURER III ACTING DIRECTOR

MARK K. OTO DEPUTY DIRECTOR

GARY T. KUROKAWA ADMINISTRATOR

Honorable Jon Riki Karamatsu State House Representative, 41st District Hawaii State Capitol, Room 302 415 South Beretania Street Honolulu, Hawaii 96813

RE: H.B. 268 - Relating to Real Property

The City and County of Honolulu supports H.B. 268, which would require the registrar of conveyances in the Bureau of Conveyances within ten days after the end of each week to provide without charge, pursuant to HRS Section 502-27(b), to the Administrator of the Real Property Assessment Division, images and an index of all documents filed or recorded in the registrar's office during each week.

We are aware of some concerns that the Bureau of Conveyances has with this bill and H.B. 269, but believe that a compromise can be reached that would address everyone's concerns.

We urge your approval of this bill, so that (1) all counties may receive real property information for purposes of determining accurate and timely real property tax assessments and (2) thereby reduce the cost to taxpayers.

Thank you for your support and if you have any questions, please call me at 768-7901 or by email at gkurokawa@honolulu.gov.

Sincerely,

Gary T. Kurokawa Administrator

Real Property Assessment Division

GTK:dw