LINDA LINGLE GOVERNOR OF HAWAII





LAURA H. THIELEN CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

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KEN C. KAWAHARA DEPUTY DIRECTOR - WATER

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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 WATER, LAND & OCEAN RESOURCES

Monday, March 23, 2009 9:30 AM State Capitol, Conference Room 325

In consideration of SENATE BILL 522, SENATE DRAFT 2 RELATING TO LAND COURT

Senate Bill 522, Senate Draft 2 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. 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 www.HONOLULU.GOV

MUFI HANNEMANN Mayor



RIX MAURER III DIRECTOR

MARK K. OTO DEPUTY DIRECTOR

GARY T. KUROKAWA ADMINISTRATOR

March 20, 2009

Honorable Ken Ito State House, 48th House District Hawaii State Capitol, Room 420 415 South Beretania Street Honolulu, Hawaii 96813

RE: S.B. 522 S.D. 2 - Relating to Real Property, Proposed S.D. 3 Amendment

The City and County of Honolulu respectfully submits for your consideration a proposed S.D. 3 amendment to S.B. 522 S.D. 2.

Currently, the language of S.B. 522 S.D. 2 requires the real property assessment administrator of the City and County of Honolulu to provide copies of the images received from the assistant registrar of the Land Court to the other counties without charge. State legislation that <u>requires</u> the counties to take any action is an erosion of the counties' home rule powers. The proposed S.D. 3 amendment will accomplish the dissemination of the images to all the counties guaranteed by S.D. 2, but without undermining the counties' ability to self-govern.

Moreover, the process envisioned by this proposal would also ensure consistent delivery of documents vital to the counties' property assessment programs, and more importantly, provide the counties the means to accurately and timely determine real property tax assessments, and reduce the cost to taxpayers.

We respectfully urge you to approve this proposed amendment.

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,

awa Garlv Administrator

Real Property Assessment Division

GTK:dw

PROPOSED S.D. 3

HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2009 STATE OF HAWAII **S.B. NO.** 522 S.D. 2

A BILL FOR AN ACT

RELATING TO LAND COURT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The purpose of the Act is to enable the counties to promptly track property ownership, encumbrances, restrictions, uses, and sales prices of real property to accurately determine real property tax assessments by requiring the assistant registrar of the land court to provide, within ten days after each week and without charge, an image and index of all instruments, writs or other process that have been recorded in the assistant registrar office that week relating to registered land in all the counties, to the county designated in a memorandum of understanding agreed upon by the counties to act as a central clearinghouse to provide copies of the images and index to the other counties without charge.

SECTION 2. Section 501-107, Hawaii Revised Statutes, is amended to read as follows:

"§501-107 Entry record; duplicate and certified copies.

The assistant registrar shall keep a record in which shall be entered all deeds and other voluntary instruments, and all copies of writs or other process filed or recorded with the assistant registrar relating to registered land. The assistant registrar shall note in the record the date of reception of all instruments. The instruments shall be stamped with the date, hour, and minute of reception and shall be regarded as registered from the date and time so noted, and the memorandum of each instrument when made on the certificate of title to which it refers shall bear the same date.

Every deed or other instrument, whether voluntary or involuntary, so filed or recorded with the registrar or assistant registrar shall be numbered and indexed, and indorsed with a reference to the proper certificate of title. All records relating to registered land in the office of the registrar or of the assistant registrar shall be open to the public in the same manner as probate records are open, subject to such reasonable regulations as the registrar, under the direction of the court, may make.

Certified copies of all instruments filed or recorded and registered may also be obtained at any time on payment of the assistant registrar's fees.

Within ten days after the end of each week the assistant registrar shall deliver or forward by mail or electronic transmission, and without charge, an image and index of all deeds and other voluntary instruments, writs and other process that have been filed or recorded with the assistant registrar during each week relating to registered land in all the counties, to the county designated to act as a central clearinghouse in a memorandum of understanding agreed upon by the counties with the proviso that the delivery of the images and index by the central clearinghouse to the other counties shall be without charge. The index shall include the following for each instrument:

- (1) Document number;
- (2) <u>Certificate number;</u>
- (3) Date of the filing,
- (4) Type of document;
- (5) Name of grantor and grantee;
- (6) Current tax map key number, and
- (7) Location of the real property by island."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.