STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 2 8 2013

RE: S.B. No. 499 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 499 entitled:

"A BILL FOR AN ACT RELATING TO PARTITION OF HEIRS PROPERTY,"

begs leave to report as follows:

The purpose and intent of this measure is to adopt the Uniform Partition of Heirs Property Act, which establishes procedures and remedies for use in actions for partition of real property involving heirs property.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation. The Judiciary and one individual submitted comments on this measure.

Your Committee finds that in 2010, the Uniform Law Commission promulgated the Uniform Partition of Heirs Property Act to provide a fair solution to the risks posed to those who own heirs property, which is real property held in tenancy in common that meets certain requirements. Your Committee notes that this measure does not displace existing partition law for non-heirs property, nor does it prohibit a party from petitioning for partition by sale or apply to situations where there is a written agreement relating to property partition. Rather, this measure establishes a hierarchy of remedies designed to protect a family's property holdings and real property wealth for partition actions involving heirs property. Your Committee further finds that this measure provides cotenants with many of the rights and protections



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Your Committee notes the concerns raised by the Judiciary regarding this measure placing full responsibility on the court to provide notice of appraisal, notice of fair market value, and notice to cotenants under certain circumstances. The Judiciary testified that generally the parties in a civil case are responsible for giving notice, and the court determines whether the notice requirement is satisfied. Your Committee requested that the Judiciary and Commission to Promote Uniform Legislation develop language to address the Judiciary's concerns regarding the notice requirements under this measure.

Accordingly, your Committee has amended this measure by:

- Adopting the language submitted by the Judiciary that replaces the court with other parties to be responsible for providing notice, such as the movant for determination or appraiser, and specifies the receiving parties;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 499, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 499, S.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

th fla

CLAYTON HEE, Chai:



The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral: Date: / /			/	
SB499	CPN, JDL 2/20/13				3
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)		\checkmark			
SHIMABUKURO, Maile S.L. (VC)		\checkmark	4 		
GABBARD, Mike					
IHARA, Jr., Les					:
SLOM, Sam			· · ·		\checkmark
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TOTAL		1		·	1
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes