

Honolulu, Hawaii

APR 08 2016

RE: H.B. No. 2090
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 2090, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LAND COURT,"

begs leave to report as follows:

The purpose and intent of this measure is to streamline the operations of the Office of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify uncertified certificates of title for fee time share interests.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, American Resort Development Association Hawaii, Wyndham Vacation Ownership, and one individual.

Your Committee finds that Hawaii's land court law, originally enacted in 1903, was intended to establish clear title to a parcel of land through a court proceeding by requiring the Land Court to determine the lawful owner of a parcel of real estate, then issue a certificate of title to that owner. From then on, an encumbrance could not affect title without first being filed in the Land Court, nor could a deed to convey title become effective without first being filed. Although the Land Court system worked well for a number of years, the eventual introduction of condominium projects and time share plans into the Land Court system created problems.



Your Committee further finds that in 2008, a legislative investigative committee identified serious shortcomings related to the Bureau of Conveyances. In 2009, legislation was passed to ease the backlog in Land Court recording and registration by, among other things, transferring fee simple time share interests from the Land Court system to the regular system. In 2012, additional legislation removed fee time share interests from the Land Court system, as of July 1, 2012. This was intended to lighten the load of the Assistant Registrar in the preparation and certification of the certificates of title for fee time share interests without delaying the removal of fee time share interests from the Land Court system.

However, the requirement for the Assistant Registrar to certify all the remaining uncertified fee time share certificates of title remains burdensome on the Assistant Registrar, due to resource limitations and the demands of new transactions. Accordingly, this measure streamlines the operations of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify all pending or otherwise uncertified certificates of title for fee time share interests, all of which were removed from the Land Court system as of July 1, 2012.

Your Committee has amended this measure by:

- (1) Clarifying under section 501-262(b), Hawaii Revised Statutes (HRS), that upon certification of an uncertified fee time share interest certificate of title, the certified certificate of time is subject to section 501-261(2), HRS; and
- (2) 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 H.B. No. 2090, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2090, H.D. 2, S.D. 2.



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


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HB 2090 HD2 SD1	Committee Referral: CPH, JDL	Date: 3-31-16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)				✓
GABBARD, Mike	✓			
KAHELE, Kaiali'i				✓
KIM, Donna Mercado	✓			
THIELEN, Laura H.				✓
SLOM, Sam	✓			
TOTAL	4			3
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: 				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

***Only one measure per Record of Votes**