

SB2436

Measure Title: RELATING TO LAND COURT REGISTRATION.

Report Title: Condominium Leasehold Interests; Land Court

Description: Requires condominium leasehold interests and leasehold time share interests to be recorded only in the Bureau of Conveyances. Deletes the requirement for registration in the Land Court.

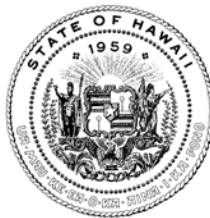
Companion:

Package: None

Current Referral: CPH, JDL

Introducer(s): KEITH-AGARAN, KIDANI, Galuteria, Nishihara, Riviere, Shimabukuro, Wakai

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
COMMERCE, CONSUMER PROTECTION AND HEALTH**

**Monday, February 1, 2016
9:00 A.M.
State Capitol, Conference Room 229**

**In consideration of
SENATE BILL 2436, SENATE DRAFT 1
RELATING TO LAND COURT REGISTRATION**

Senate Bill 2436 proposes to require condominium leasehold interests and leasehold time share interests to be recorded only in the Bureau of Conveyances and deletes the requirement for registration in the Land Court. **While the Department of Land and Natural Resources (Department) acknowledges the intent of this measure, the Department is still reviewing its legal and/or practical consequences and the impact to both the Department and the land owners.**

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



February 1, 2016

TO: COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND
HEALTH

Senator Rosalyn Baker, Chair

Senator Michelle Kidani, Vice-Chair

FR: Henry Perez, President – via Blake Oshiro, Executive Director
American Resort Development Association

RE: S.B. 2436 Relating to Land Court Registration

Position: Support Intent

Dear Chair Baker, Vice Chair Kidani and members,

The American Resort Development Association (ARDA) Hawaii, the local chapter of the national timeshare trade association, supports the intent of Senate Bill (SB) 2463 which proposes to require that condominium leasehold interests be included in the existing requirement that leasehold time share interests to be recorded only in the Bureau of Conveyances (BOC).

Initially adopted and since 1998, leasehold time share interests have been required to be recorded at the BOC under Act 218, which later became codified as Haw. Rev. Stat. §§ 241 thru 248. Since that time, the law has only been amended twice for non-substantive and technical conforming amendments in 2008 under Act 28 and in 2012 under Act 182. We are unaware that this would result in any substantive adverse effects on this long-standing law that has been working for leasehold time share interests for over 17 years. Thus, ARDA supports the intent of this measure.

We do have one comment and suggestion for possible amendment dealing with the definition of "leasehold interest" which is written to include both a "leasehold time share interest" and a "leasehold condominium interest." Although "leasehold time share interest" is defined under HRS § 501-20, the term "leasehold time condominium interest" is not defined.

Instead, HRS § 501-20 only contains a definition of "apartment lease," which suggests that a "leasehold condominium interest" may include other kinds of lease. Moreover, the current definitions under the laws related to condominiums, HRS § 514A-3 and HRS § 514B-3, do not contain any definition of "leasehold condominium interest." Thus, this is a term without a clear definition and this we recommend that this ambiguity should be cleared up.

Thank you for the opportunity to submit testimony in support of SB 2436.

From: mailinglist@capitol.hawaii.gov
To: [CPH Testimony](#)
Cc: richard.emery@associa.us
Subject: Submitted testimony for SB2436 on Feb 1, 2016 09:00AM
Date: Saturday, January 30, 2016 4:43:14 PM

SB2436

Submitted on: 1/30/2016

Testimony for CPH on Feb 1, 2016 09:00AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Emery	Associa	Support	Yes

Comments: I am the VP of Government Affairs for Associa, America's largest Association management company, that represents approximately 550 Hawaii associations. We support the Bill as it will make recordation for efficient with less confusion.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Lorrin Hirano
1212 Nuuanu Avenue 604
Honolulu, Hawaii 96817
Phone: (808) 533-5842

January 30, 2016

The Honorable Senator Rosalyn H. Baker, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Members of the Senate Committee On Commerce, Consumer Protection, And Health
Conference Room 229, State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Re: Hearing Date: Monday, February 1, 2016 at 9:00 a.m.
Testimony IN OPPOSITION to Senate Bill 2436 Relating To
Land Court Registration

Dear Senator Baker, Senator Kidani, and Members of the Senate Committee On Commerce, Consumer Protection, and Health:

Respectfully, I oppose the amendment to Chapter 501 (land court) being proposed under Senate Bill 2436. The policy reasons for deregistering the hundreds of thousands of short-term timeshare intervals do not apply to leasehold interests – even condominium leasehold interests -- which in many cases are long term lease rights with substantial capital investments being made by the lessees. It is important to protect the integrity of the registered land's transfer certificate of title by keeping the requirement that leases be duly recorded and noted on the TCT.

I appreciate the opportunity to submit this testimony in opposition to Senate Bill 2436.

Respectfully submitted,


Lorrin Hirano