

JAN 24 2018

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# A BILL FOR AN ACT

RELATING TO CERTIFICATES OF CONVEYANCE.

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

1       SECTION 1. Section 247-6, Hawaii Revised Statutes, is  
2 amended to read as follows:

3       "**§247-6 Certificate of conveyance required.** (a) Any  
4 party, with the exception of governmental bodies, agencies, or  
5 officers, to a document or instrument subject to this chapter,  
6 or the party's authorized representative, shall file, in the  
7 manner and place which the director of taxation shall prescribe,  
8 a certificate of conveyance setting forth the actual and full  
9 consideration of the property transferred, including any lien or  
10 encumbrance on the property, and any other facts as the director  
11 may by rules prescribe. The certificate of conveyance shall be  
12 verified by a written declaration thereon that the statements  
13 made therein are subject to the penalties in section 231-36.  
14 The certificate shall be appended to the document or instrument  
15 made subject to this chapter and shall be filed with the  
16 director simultaneously with the aforementioned document or  
17 instrument for the imprinting of the required seal or seals.



1 (b) No certificate is required to be filed for any  
2 document or instrument made exempt by section 247-3, except that  
3 in the following situations, a certificate shall be filed in the  
4 manner and place that the director shall prescribe, within  
5 ninety days after the transaction or prior to the recordation or  
6 filing of the document or instrument with the registrar of  
7 conveyances or the assistant registrar of the land court or  
8 after the ninety-day period, recordation, or filing as the  
9 director shall prescribe:

10 (1) For any document or instrument described under section  
11 247-3(3), any party to the document or instrument  
12 shall file a certificate declaring that the document  
13 or instrument merely confirms or corrects a deed,  
14 lease, sublease, assignment, transfer, or conveyance  
15 previously recorded or filed[-]; provided that for any  
16 document or instrument described in section 247-3(3),  
17 the county in which the real property is located may  
18 require the transferor to include a statement  
19 specifying the county's determination as to whether  
20 the real property described in the document or  
21 instrument may be used to conduct short-term rentals



1       in accordance with the county's zoning or land use  
2       ordinances.

3       (2) For any document or instrument described under section  
4       247-3(4), any party to the document or instrument  
5       shall file a certificate declaring the amount of the  
6       nominal consideration paid and marital or parental  
7       relationship of the parties~~[-]~~; provided that for any  
8       document or instrument described in section 247-3(4),  
9       the county in which the real property is located may  
10      require the transferor to include a statement  
11      specifying the county's determination as to whether  
12      the real property described in the document or  
13      instrument may be used to conduct short-term rentals  
14      in accordance with the county's zoning or land use  
15      ordinances.

16      (3) For any document or instrument described under section  
17      247-3(5), any party to the document or instrument  
18      shall file a certificate declaring the reasons why the  
19      consideration is \$100 or less~~[-]~~; provided that for  
20      any document or instrument described in section 247-  
21      3(5), the county in which the real property is located



1        may require the transferor to include a statement  
2        specifying the county's determination as to whether  
3        the real property described in the document or  
4        instrument may be used to conduct short-term rentals  
5        in accordance with the county's zoning or land use  
6        ordinances.

7        (4) For any document or instrument described in section  
8        247-3(6), any party to the document or instrument  
9        shall file a certificate declaring that the document  
10       or instrument is made pursuant to an agreement of  
11       sale, and where applicable, an assignment or  
12       assignments of agreements of sale[-]; provided that  
13       for any document or instrument described in section  
14       247-3(6), the county in which the real property is  
15       located may require the transferor to include a  
16       statement specifying the county's determination as to  
17       whether the real property described in the document or  
18       instrument may be used to conduct short-term rentals  
19       in accordance with the county's zoning or land use  
20       ordinances.



(5) For any document or instrument described under section 247-3(8), any person made a party to the document or instrument as grantee, assignee, or transferee shall file a certificate declaring the full and actual consideration of the property transferred~~[-]~~; provided that for any document or instrument described in section 247-3(8), the county in which the real property is located may require the transferor to include a statement specifying the county's determination as to whether the real property described in the document or instrument may be used to conduct short-term rentals in accordance with the county's zoning or land use ordinances.

(6) For any document or instrument described under section 247-3(11), any party to the document or instrument shall file a certificate declaring each owner's:

- (A) Undivided interest in the real property and the value of that interest before partition; and
- (B) Proportionate interest and the value of that interest after partition~~[-]~~i.



1 provided that for any document or instrument described  
2 in section 247-3(11), the county in which the real  
3 property is located may require the transferor to  
4 include a statement specifying the county's  
5 determination as to whether the real property  
6 described in the document or instrument may be used to  
7 conduct short-term rentals in accordance with the  
8 county's zoning or land use ordinances.

9 (7) For any document or instrument described under section  
10 247-3(12), any party to the document or instrument  
11 shall file a certificate declaring that the document  
12 or instrument is made pursuant to an order of the  
13 court and containing the court case number[-];

14 provided that for any document or instrument described  
15 in section 247-3(12), the county in which the real  
16 property is located may require the transferor to  
17 include a statement specifying the county's  
18 determination as to whether the real property  
19 described in the document or instrument may be used to  
20 conduct short-term rentals in accordance with the  
21 county's zoning or land use ordinances.



1           (8) For any document or instrument described under section  
2           247-3(13), any party to the document or instrument  
3           shall file a certificate declaring that the document  
4           or instrument conveys real property from a  
5           testamentary trust to a trust beneficiary[-]; provided  
6           that for any document or instrument described in  
7           section 247-3(13), the county in which the real  
8           property is located may require the transferor to  
9           include a statement specifying the county's  
10          determination as to whether the real property  
11          described in the document or instrument may be used to  
12          conduct short-term rentals in accordance with the  
13          county's zoning or land use ordinances.

14          (9) For any document or instrument described under section  
15          247-3(14), any party to the document or instrument  
16          shall file a certificate declaring that the document  
17          or instrument conveys real property from the grantor  
18          to a grantor's revocable living trust or from a  
19          grantor's revocable living trust to the grantor[-];  
20          provided that for any document or instrument described  
21          in section 247-3(14), the county in which the real



1           property is located may require the transferor to  
2           include a statement specifying the county's  
3           determination as to whether the real property  
4           described in the document or instrument may be used to  
5           conduct short-term rentals in accordance with the  
6           county's zoning or land use ordinances.

7           (c) The form of the certificate and the procedure to be  
8 followed for the submission of the certificate shall be  
9 prescribed by the director[-]; provided that the county in which  
10 the real property is located may enact ordinances requiring the  
11 grantor to include a statement specifying the county's  
12 determination as to whether the real property described in the  
13 document or instrument may be used to conduct short-term rentals  
14 in accordance with the county's zoning or land use ordinances;  
15 provided further that the county in which the real property is  
16 located shall prescribe the language to be included on the  
17 certificate and the procedures to follow if the county enacts  
18 such an ordinance.

19           (d) Notwithstanding the foregoing, where the director  
20 deems it impracticable to require the filing of a certificate or  
21 certificates or to obtain the signatures of any or all parties





1 to a certificate or certificates required under this section,  
2 the director may, in the director's discretion, waive the  
3 requirement of filing the certificate or certificates or of  
4 securing the signature of any or all parties to the certificate  
5 or certificates.

6 (e) No document or instrument, on account of which a  
7 certificate is required to be filed with the office of the  
8 director under this section, shall be accepted for recordation  
9 or filing with the registrar of conveyances or the assistant  
10 registrar of the land court, unless the certificate has been  
11 duly filed.

12 (f) Within twenty-one business days after the end of each  
13 week, or as soon thereafter as possible, the director of  
14 taxation shall provide to the administrator of each county's  
15 real property assessment division, without charge, an image of  
16 all certificates of conveyance that were filed. For each  
17 certificate of conveyance, the image shall include the  
18 following:

- 19 (1) Document number;
- 20 (2) Date of the filing;
- 21 (3) Name of grantor and grantee;



1 (4) Tax map key number;

2 (5) Location of the real property by island; and

3 (6) Address for real property assessment notice and tax  
4 bill.

5 (g) A county in which the real property is located may  
6 enact an ordinance requiring the grantor to include a statement  
7 specifying the county's determination as to whether the real  
8 property described in the document or instrument may be used to  
9 conduct short-term rentals in accordance with the county's  
10 zoning or land use ordinances. A county ordinance requiring the  
11 inclusion of a statement in the certificate of conveyance shall  
12 include a definition of "short term rental"."

13 SECTION 2. This Act does not affect rights and duties that  
14 matured, penalties that were incurred, and proceedings that were  
15 begun before its effective date.

16 SECTION 3. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect on July 1, 2019.

19 INTRODUCED BY: 



# S.B. NO. 3089

**Report Title:**

Certificates of Conveyance; Short-Term Rentals; Counties

**Description:**

Allows counties to enact ordinances that require the grantor of real property to include in the certificate or certificates of conveyance a statement regarding whether granted real property that is located within the county may be used for short-term rentals under the county's zoning or land use ordinances. Takes effect 7/1/2019.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

