JOSH GREEN, M.D. GOVERNOR | KE KIA'ĂINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N.S. CHANG Chairperson

Before the Senate Committees on JUDICIARY

Tuesday, February 27, 2024 10:00 AM State Capitol, Conference Room 016

In consideration of SENATE BILL 2859, SENATE DRAFT 1 RELATING TO LAND COURT

Senate Bill 2859, Senate Draft 1 proposes to amend Hawaii Revised Statutes (HRS) Chapter 501 by authorizing the use of a "master certificate of title" for common interest communities. The Department of Land and Natural Resources (Department) acknowledges the intent of this bill is to simplify and streamline the Land Court process and offers the following comments and concerns.

This bill has the potential to streamline one part of the Land Court process for any <u>new</u> common interest communities. This "master certificate of title" (master TCT) would abbreviate the current procedure of notating repetitive entries on individual transfer certificate of titles (TCT) that are created for each conveyance by referencing the master TCT that would have these repetitive entries. It should be noted that the Bureau of Conveyance (BOC) already has some automation in place with our Land Records Management System (LRMS) that supports a very similar process that is being proposed with this master TCT. With this capability already in place, this bill's mandate to apply this process to <u>existing</u> common interest units would be a duplication of effort and require extensive staff resources that are already challenged with maintaining the day-to-day operations.

This bill also proposes to have the assistant registrar establish a new unit number in the case of identical unit numbers. Due to unit numbers being a key identifier in legal property descriptions

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> RYAN K.P. KANAKA'OLE FIRST DEPUTY

DEAN D. UYENO ACTING 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 PRESERVE COMMISSION LAND STATE PARKS on affected deeds, the assistant registrar should work together with the developer of the common interest community to resolve this duplication.

The Department is confident that the current automated process available would essentially achieve the same results as the master TCT.

Mahalo for this opportunity to present our comment and concerns on this measure.