

JAN 17 2025

A BILL FOR AN ACT

RELATING TO REAL PROPERTY.

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

1 SECTION 1. The legislature finds that the State of Hawaii
2 utilizes the regular system and the land court to record legal
3 documents pertaining to the ownership of property. In general,
4 property is recorded in either the regular system or the land
5 court; however, in some circumstances property is recorded in
6 both systems. The regular system and the land court have
7 different requirements for recording documents. The land court
8 creates barriers to access in the form of delay and increased
9 expenses resulting from the complicated procedures and
10 requirements in the land court. No new properties have been
11 registered in the land court since 1989, which indicates sharp
12 public preference for the regular system.

13 The legislature further finds that the regular system is a
14 "race-notice" land registration system and does not make any
15 independent determination about the priority or ownership of
16 interests in the property. This is one of the reasons why the
17 regular system is preferred by the public. On the other hand,



1 the land court system is a "Torrens" system of land
2 registration, which means one must "race" to the land court to
3 record a document ahead of another possible prior claimant to
4 the property.

5 The legislature also finds that Act 120, Session laws of
6 Hawaii 2009, amended chapter 501, Hawaii Revised Statutes, in an
7 attempt to ease the backlog in the bureau of conveyances. Among
8 other things, the amendments allowed owners of interest in land
9 registered in the land court system to transfer the interest to
10 the regular system.

11 The purpose of this Act is to simplify the land
12 registration process by repealing the land court system and
13 transitioning all recorded documents to the regular system.

14 SECTION 2. Starting on January 1, , no new
15 applications for registration of title shall be made in the land
16 court.

17 SECTION 3. No later than December 31, , all registered
18 owners of an interest in property registered in the land court
19 shall initiate deregistration of the property pursuant to part
20 II of chapter 501, Hawaii Revised Statutes.



1 SECTION 4. The land court shall inform all registered
2 owners of any interest in property registered in land court of
3 the requirement under section 3 of this Act.

4 SECTION 5. The subpart entitled "Land Court; Personnel",
5 of chapter 501, Hawaii Revised Statutes, consisting of sections
6 501-1 to 501-13, Hawaii Revised Statutes, is repealed.

7 SECTION 6. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$ or so much
9 thereof as may be necessary for fiscal year 2025-2026 and the
10 same sum or so much thereof as may be necessary for fiscal year
11 2026-2027 for the land court to inform registered owners of any
12 interest in property registered in land court of the requirement
13 for deregistration of property.

14 The sums appropriated shall be expended by the land court
15 for the purposes of this Act.

16 SECTION 7. All rights, powers, functions, and duties of
17 the land court are transferred to the bureau of conveyances.
18 All employees who occupy civil service positions and whose
19 functions are transferred to the bureau of conveyances by this
20 Act shall retain their civil service status, whether permanent
21 or temporary. Employees shall be transferred without loss of



1 salary, seniority (except as prescribed by applicable collective
2 bargaining agreements), retention points, prior service credit,
3 any vacation and sick leave credits previously earned, and other
4 rights, benefits, and privileges, in accordance with state
5 personnel laws and this Act; provided that the employees possess
6 the minimum qualifications and public employment requirements
7 for the class or position to which transferred or appointed, as
8 applicable; provided further that subsequent changes in status
9 may be made pursuant to applicable civil service and
10 compensation laws.

11 Any employee who, prior to this Act, is exempt from civil
12 service and is transferred as a consequence of this Act may
13 retain the employee's exempt status, but shall not be appointed
14 to a civil service position as a consequence of this Act. An
15 exempt employee who is transferred by this Act shall not suffer
16 any loss of prior service credit, vacation or sick leave credits
17 previously earned, or other employee benefits or privileges as a
18 consequence of this Act; provided that the employees possess
19 legal and public employment requirements for the position to
20 which transferred or appointed, as applicable; provided further
21 that subsequent changes in status may be made pursuant to



1 applicable employment and compensation laws. The chairperson of
 2 the board of land and natural resources may prescribe the duties
 3 and qualifications of these employees and fix their salaries
 4 without regard to chapter 76, Hawaii Revised Statutes.

5 SECTION 8. All appropriations, records, equipment,
 6 machines, files, supplies, contracts, books, papers, documents,
 7 maps, and other personal property heretofore made, used,
 8 acquired, or held by the land court relating to the functions
 9 transferred to the department of land and natural resources
 10 shall be transferred with the functions to which they relate.

11 SECTION 9. This Act shall take effect on July 1, 2025;
 12 provided that sections 5, 7, and 8 shall take effect on
 13 June 30, .

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INTRODUCED BY:


 A large, stylized handwritten signature in black ink is written over a horizontal line. The signature is cursive and appears to be the initials 'JDR' followed by a long horizontal stroke.


S.B. NO. 644

Report Title:

Land Court; Bureau of Conveyances; Real Property; Appropriation

Description:

Repeals the Land Court. Requires registered owners of an interest in property registered in land court to deregister their interest. Requires the land court to inform registered owners of the requirement to deregister. Appropriates moneys.

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

