

*The Judiciary, State of Hawai‘i*  
*Ka ‘Oihana Ho‘okolokolo, Moku‘āina ‘o Hawai‘i*

**Testimony to the Thirty-Third Legislature, 2026 Regular Session**

**House Committee on Finance**  
Representative Chris Todd, Chair  
Representative Jenna Takenouchi, Vice Chair

Thursday, April 2, 2026, 2:00 p.m.  
State Capitol, Conference Room 308 & Videoconference

By

Aphirak Bamrungruan  
Court Services Manager  
Luna Lawelawe ‘Aha Ho‘okolokolo  
First Circuit  
Ka‘apuni ‘Ekahi

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**Bill No. and Title:** Senate Bill No. 2041, S.D. 1, H.D. 2, Relating to Real Property.

**Purpose:** Establishes a working group to recommend the implementation of specific reforms to effectively eliminate the Land Court. Requires a report to the Legislature, including proposed legislation drafted with assistance from the Legislative Reference Bureau. Appropriates funds. Effective 7/1/3000. (HD2)

**Judiciary's Position:**

The Judiciary supports Senate Bill No. 2041, S.D. 1, H.D. 2. This measure reflects a thoughtful and measured approach to addressing the future of the Land Court system. The Judiciary appreciates and supports the amendments made by the House Committee on Judiciary & Hawaiian Affairs in the current draft, which incorporates the Judiciary’s previously submitted recommendations, particularly with respect to implementation timing and the establishment of a working group under Section 2.

Thoughtful strategic planning—as contemplated by Section 2—is critical to ensure the successful and meaningful implementation of this measure. Establishing a working group composed of relevant stakeholders to conduct a comprehensive study and provide



recommendations would serve as an important first step toward effective information sharing, collaborative policy development, and the identification and analysis of operational implications affecting both the Judiciary and the Bureau of Conveyances.

The working group's findings and recommendations would provide the Legislature with a more reliable basis for determining any necessary timeline and appropriation for implementation efforts, following submission of the group's report prior to the 2029 Legislative Session. This phased and data-informed approach would allow the Legislature, the Judiciary, the Bureau of Conveyances as part of the executive branch, and all stakeholders to be guided by those findings and recommendations, promote meaningful cross-branch and cross-agency coordination, and ensure a more deliberate and effective transition.

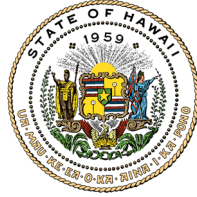
The Judiciary acknowledges that this measure includes a possible appropriation for the working group's administrative expenses, including travel and per diem for neighbor island members (if applicable), meeting supplies, and other necessary administrative support. While the Judiciary continues to assess an anticipated budget for the working group's efforts, an appropriation in the amount of \$10,000.00 may be reasonable to support such activities.

The Judiciary remains committed to collaborating with stakeholders to achieve the Legislature's intent of this major reform initiative. We respectfully request that any appropriation provided for this purpose not supplant the Judiciary's existing funding or budget requests.

Thank you for the opportunity to provide testimony on Senate Bill No. 2041, S.D. 1, H.D.  
2.

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

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



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

P.O. BOX 621  
HONOLULU, HAWAII 96809

DAWN N.S. CHANG  
CHAIRPERSON  
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RYAN K.P. KANAKA'OLE  
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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

Testimony of  
RYAN K.P. KANAKA'OLE  
Acting Chairperson

Before the House Committee on  
FINANCE

Thursday, April 2, 2026  
2:00 PM  
State Capitol, Conference Room 308

In consideration of  
SENATE BILL 2041, SENATE DRAFT 1, HOUSE DRAFT 2  
RELATING TO REAL PROPERTY

Senate Bill 2041, Senate Draft 1, House Draft 2, would repeal the Land Court, transfer its functions to the Bureau of Conveyances, establish a working group to recommend reforms to effectively eliminate the Land Court, require a report to the Legislature, and appropriate funds. **The Department of Land and Natural Resources (Department) appreciates the intent of this measure and offers the following comments.**

Hawai'i's Land Court system, established under chapter 501, Hawai'i Revised Statutes, was originally designed to provide certainty in land ownership and title records through a Torrens title registration system. Consolidating land records into a single system under the Bureau of Conveyances would modernize and improve Hawai'i's property title system by reducing redundancies and increasing operational efficiency.

The Department supports section 2 of this measure establishing a working group with diverse stakeholder representation, which will be critical to developing a well-informed and deliberate strategy to consolidate Hawai'i's land recording systems while identifying operational impacts and implementation challenges.

The Department respectfully requests an appropriation of \$1,000,000 in section 3, for administrative expenses of the working group established pursuant this Act, including travel and per diem for neighbor island members, if applicable, meeting supplies, and other necessary administrative support.

Mahalo for the opportunity to comment on this measure.

Charlotte A. Carter-Yamauchi  
Director

Shawn K. Nakama  
First Assistant

Research 808-587-0666  
Revisor 808-587-0670



LEGISLATIVE REFERENCE BUREAU  
State of Hawaii  
State Capitol, Room 446  
415 S. Beretania Street  
Honolulu, Hawaii 96813

## Written Comments

### **SB2041, SD1, HD2 RELATING TO REAL PROPERTY.**

Charlotte A. Carter-Yamauchi, Director  
Legislative Reference Bureau

Presented to the House Committee on Finance

Thursday, April 2, 2026, 2:00 p.m.  
Conference Room 308 & Via Videoconference

Chair Chris Todd and Members of the Committee:

Good afternoon, Chair Todd and Members of the Committee, my name is Charlotte Carter-Yamauchi, and I am the Director of the Legislative Reference Bureau (Bureau). Thank you for providing the opportunity to submit written comments on S.B. No. 2041, S.D. 1, H.D. 2, Relating to Real Property.

The purpose of the measure is to:

- (1) Establish within the Judiciary for administrative purposes a Working Group to recommend the implementation of specific reforms to effectively eliminate the Land Court;
- (2) Specify the membership of the Working Group, which is to include a member of the Judiciary, to be designated by the Chief Justice, who shall serve as the Chair of the Working Group;
- (3) Require the Working Group to submit to the Legislature a report of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the Regular Session of 2029;

- (4) Require the Legislative Reference Bureau to assist in the drafting of any proposed legislation developed by the Working Group; and
- (5) Appropriate unspecified moneys to the Judiciary for the administrative expenses of the Working Group.

The Bureau takes no position on the merits of this measure but submits the following comments for your consideration.

The Bureau notes that the Working Group's report to the Legislature will be due on December 28, 2028. As you may know, the Bureau is very busy during the months of November, December, and January of each year with finalizing its own reports of studies that have been requested by the Legislature and responding to the numerous requests received for bill drafting for the upcoming regular session. To ensure that the Bureau can give due attention to these core responsibilities, while facilitating the timely submission of the Working Group's report to the Legislature, the Bureau respectfully requests that the measure be amended to require the Working Group to submit any requests for the drafting of proposed legislation to the Bureau no later than November 1, 2028.


If the measure is amended as requested, the Bureau believes that the Bureau's responsibilities would be manageable, provided that the Bureau's interim workload is not adversely impacted by too many other additional responsibilities, such as conducting studies, writing or finalizing reports, drafting legislation, or any combination of these for the Legislature or for other state agencies, task forces, or working groups that may be requested or required under other legislative measures.

Thank you again for your consideration.



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 1259 A'ala Street, Suite 300  
Honolulu, HI 96817

April 2, 2026

**The Honorable Chris Todd, Chair**

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

**RE: Senate Bill 2041, SD1, HD2, Relating to Real Property**

**HEARING: Thursday, April 2, 2026, at 2:00 p.m.**

Aloha Chair Todd, Vice Chair Takenouchi and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** Senate Bill 2041, SD1, HD2, which establishes a working group to recommend the implementation of specific reforms to effectively eliminate the Land Court. Requires a report to the Legislature, including proposed legislation drafted with assistance from the Legislative Reference Bureau. Appropriates funds. Effective 7/1/3000.

The Land Court provides a high level of certainty through a rigorous verification process in establishing clear and undisputed land title. On the other hand, it can be an expensive and time-consuming process. As such, we appreciate the opportunity to serve on the Working Group regarding this matter.

Mahalo for the opportunity to provide testimony on this measure.





*Mortgage Bankers Association of Hawaii*  
*P.O. Box 4129, Honolulu, Hawaii 96812*

March 31, 2026

The Honorable Chris Todd, Chair  
The Honorable Jenna Takenouchi, Vice Chair  
Members of the House Committee on Finance

Hearing Date: April 2, 2026  
Hearing Time: 2:00 pm  
Hearing Place: Hawaii State Capitol, Conference Room 308

Re: SB 2041, SD1 HD2 Relating to Real Property

I am Victor Brock, representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate and service, or support the origination and servicing, of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation or rules, it is related only to mortgage lending and servicing.

The MBAH **strongly supports** SB 2041 SD1 HD2. We commend the legislature for addressing the inefficiencies of having two recording systems in the State, and we strongly support the mandate of "repealing the land court system and transitioning all recording documents to the regular system", which was stated in the previous versions of this Bill. We also support the creation of a working group to resolve transition-related issues and the appropriation of funds, as proposed in this Bill

The MBAH is happy to participate in the working group, as proposed in this Bill.

Thank you for the opportunity to present this testimony.

Victor Brock  
Mortgage Bankers Association of Hawaii

**SB-2041-HD-2**

Submitted on: 3/31/2026 2:10:30 PM

Testimony for FIN on 4/2/2026 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mike Golojuch, Sr.	Individual	Support	Written Testimony Only

Comments:

I support SB2041. Please pass this bill.

**SB-2041-HD-2**

Submitted on: 4/1/2026 7:51:54 AM

Testimony for FIN on 4/2/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Larry Kapchinsky	Individual	Support	Written Testimony Only

Comments:

April 1, 2026

“LET IT FALL INTO THE OCEAN!”

Said the man who doesn't own property or pay taxes.

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Committee on Finance,

My name I Larry Kapchinsky. My wife, Janice, (retired seniors) and I are the owners of at Valley Isle Resort #510 b. We have been residents of the Kahana Bay community for more than four years. We love this area and chose to live here because we find this specific location to provide a sense of peace, health and security.

As State of Hawaii and Maui County taxpayers we are very concerned about the inaction to save the shoreline of Kahana Bay. We urge those in elected government positions and staff positions who represent local taxpayers to bill strongly support of SB2401, SD1, HD1, urging priority funding for Kahana Bay projects.

In 2025, we have seen dramatic changes right at the edge of our condo: SANDBAGS WASHING AWAY, WAVES REACHING NOW AT THE EDGE OF OUR BUILDING, FLOODING, SAND WASHING UP INTO THE LANAIS ON THE 1ST FLOOR. DANGER! DANGER! DANGER!!(These sandbags were placed on the shoreline to provide short-term protection until a long-term solution could be put into place. And now the AOAOs are not allowed to move, strengthen or repair this temporary line of protection and it appears there is no long-term solution by the county and state except “just let it fall into the ocean”.)

Like many of our fellow owners we ARE TERRIFIED that elected officials and hired staff are not fighting to protect properties and the shoreline of Kahana Bay.

As taxpayers and property owners it is urgent that we see strong support of SB2401, SD1, HD1, specifically urging priority funding for Kahana Bay projects. from our representatives.

This destruction, if left unchecked, will very soon destroy not only our condo, but many other homes, places of business, beautiful beaches and will create a disastrous loss of jobs along with tax dollars.

The loss of millions and millions of tax dollars from property tax, sales tax, income tax will require major cuts to our schools . Cuts to the community services will devastate budgets that serve the community. If the tax dollars do not come in, services cannot be provided. That is a fact.

We all remember the destruction of 2020 covid. At first it was nice to have beaches that were not crowded and roads with few cars on them. We were able to walk into a restaurant and be seated immediately because there no other customers. The servers were very chatty and so grateful we came.

After a while we realized that our financial base was gone. The tourist who came to experience our beaches were not allowed to come. We also saw that many of our Hawaiian friends and workers found it necessary to move to the mainland because there were no jobs for them. They couldn't provide for their families. Some were able to return while others lost their island paradise forever. Their children will not know the sandy beaches and the breezes of paradise.

If the elected leaders who are entrusted with protecting this community continue to avoid the crisis at hand, we will see major destruction of homes, resorts, businesses and people's lives. Our elected officials need to join the commonsense approach of SB2401, SD1, HD1.

Like some of you, I had to literally run from the Lahaina fires. It now appears that disaster could have been avoided or greatly lessened with preplanning and aggressive action. The losses were huge, unbearable and are still embarrassing as we look back and see what could have been done to prepare. Now, as we and our guests enter Lahaina we are greeted with flags and pictures of lost lives, bare lots and a gigantic reminder of what was lost that didn't need to be lost...if only those in charge would have been aggressive in taking charge.

Along with many any others I don't want our island to be an eyesore like the disaster in the Palisades of Los Angeles, Malibu and Alta Dena. That disaster didn't need to happen. The decisions makers and those in authority were asleep at the wheel.

Maui cannot survive another devastating disaster.

At present the confusion and uncertainty about the future of our shoreline can be rectified by the approval of SB2401, SD1, HD1.

The working groups like KBSC Oceanit and others that have labored so diligently to keep our beaches and save our property are to be commended. These groups have a well thought-out and scientific plan that will work. It cannot and must not be dismissed. I want to say "Mahalo" to all of them and encourage them to keep fighting, pushing and expecting. We are behind you.

We strongly and respectfully ask those in our government agencies who represent us to aggressively support of SB2401, SD1, HD1.

I urge you to please listen to the residents who own property, which is the financial base of a properly working government, and not the loud and careless voices of those who do not value preservation and protection of Maui's financial future.

I respectfully ask you to support SB2401, SD1, HD1.

Mahalo,

Larry and Janice Kapchinsky, Valley Isle #510