

Honolulu, Hawaii

MAR 19 , 2026

RE: S.B. No. 2041
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Water & Land, to which was referred S.B. No. 2041, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY,"

begs leave to report as follows:

The purpose of this measure is to simplify the system for recording legal documents affecting real property in the State by:

- (1) Establishing a working group within the Hawaii State Judiciary to recommend reforms to effectively eliminate the Land Court;
- (2) Requiring the working group to submit a report to the Legislature;
- (3) As of an unspecified date, repealing the Land Court system and transitioning all documents recorded in the Land Court system to the regular system; and
- (4) Appropriating funds to effectuate the transition.

Your Committee received testimony in support of this measure from the Mortgage Bankers Association of Hawaii; Hawai'i Association of REALTORS; and Hawaii Credit Union League. Your



Committee received comments on this measure from the Judiciary and Department of Land and Natural Resources.

Your Committee finds that the Land Court system, established under chapter 501, Hawaii Revised Statutes, was originally designed to provide certainty in land ownership and title records through a Torrens title registration system. Although property may be recorded either in the regular system via the Bureau of Conveyances or in the Land Court, no new properties have been registered in the Land Court since 1989, which indicates a marked public preference for the regular system. Your Committee further finds that consolidating land records into a single system under the Bureau of Conveyances would modernize and improve the State's property title system by reducing redundancies and increasing operational efficiency.

Your Committee has amended this measure by:

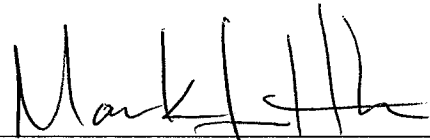
- (1) Extending from January 1, 2029, to January 1, 2030, the date by which the Administrative Judge of the Circuit Court of the First Circuit and Assistant Registrar of the Bureau of Conveyances must confer and determine the date that no new applications for registration of title shall be made in the Land Court;
- (2) Removing the requirement that the Administrative Judge of the Circuit Court of the First Circuit and Assistant Registrar of the Bureau of Conveyances must confer and determine the date that no new certificates of title and memorials of newly recorded documents shall be issued by the Land Court;
- (3) Extending from twenty days prior to the Regular Session of 2028 to twenty days prior to the Regular Session of 2029, the date by which the working group must submit a report of its findings and recommendations, including any proposed legislation, to the Legislature;
- (4) Deleting provisions that would have transferred powers, duties, employees, and property of the Land Court to the Bureau of Conveyances;
- (5) Changing its effective date to July 1, 3000, to encourage further discussion; and



- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2041, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2041, S.D. 1, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,



MARK J. HASHEM, Chair



