

STAND. COM. REP. NO. 2871

Honolulu, Hawaii

MAR 05 2026

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

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Ways and Means, 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 and intent of this measure is to simplify the system for recording legal documents affecting real property.

More specifically, this measure:

- (1) Establishes a working group to recommend reforms to effectively eliminate the Land Court;
- (2) Requires the working group to submit a report to the Legislature;
- (3) As of an unspecified date, repeals the Land Court system and transitions all documents recorded in the Land Court system to the regular system; and
- (4) Appropriates moneys to effectuate the transition.

Your Committee received written comments in support of this measure from the Mortgage Bankers Association of Hawaii and Hawaii Association of REALTORS.



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

Your Committee finds that Hawaii's Land Court system, established under chapter 501, Hawaii Revised Statutes, was originally designed to provide certainty in real property ownership and title records through a Torrens title registration system. Consolidating real property records into a single system under the Bureau of Conveyances would reduce redundancy and increase operational efficiency. Nevertheless, thoughtful strategic planning by the working group proposed by this measure is critical to ensure the successful and meaningful consolidation of the recording systems.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2041, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONOVAN M. DELA CRUZ, Chair



