

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
LAURA H. THIELEN
Chairperson**

**Before the House Committee on
WATER, LAND, & OCEAN RESOURCES**

**Monday, February 9, 2009
9:30 AM**

State Capitol, Conference Room 325

**In consideration of
HOUSE BILL 271
RELATING TO REAL PROPERTY**

House Bill 271 proposes to permit the Registrar of the Bureau of Conveyances (Bureau) of the Department of Land and Natural Resources (Department) to accept electronic documents with electronic signatures for recording. While the Department recognizes that this bill has merit, the Department nonetheless prefers the Administration's House Bill 1137 (Relating to Filings in The Bureau of Conveyances) to effectively address accepting electronic documents with electronic signatures for recording in the Bureau and the Office of the Assistant Registrar.

Presently, the Bureau and the Office of the Assistant Registrar accept only original paper instruments with original signatures for recordation in the Regular System and the Land Court System. This bill will allow the Bureau and the Office of the Assistant Registrar to accept electronic documents for recordation once the Bureau and the Office of the Assistant Registrar have the capabilities to do so and the Department adopts rules specifying the format of acceptable electronic documents. An electronic cover sheet will be required to be filed together with the electronic document that will allow for faster indexing of documents.

The Department notes that the Administration proposal (House Bill 1137) allows for the acceptance of electronic documents through amendment to Chapters 501 and 502, Hawaii Revised Statutes (HRS), without the necessity of adding an entirely new section to the statutes.

In addition to this legislation, the Administration has proposed House Bill 1138 (Relating To Copies in the Bureau of Conveyances) and House Bill 1139 (Relating To Land Court System). House Bill 1138 proposes to allow the Bureau to archive the documents in digital format. House Bill 1139 would remove time share interests from Land Court registration and allows landowners to opt out of Land Court and register their properties in the Regular System at the Bureau. Both of these proposals will assist the Bureau in becoming more efficient and up to date with the functions of the Bureau.

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
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HISTORIC PRESERVATION
KAIKOOLE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE
COMMISSION TO PROMOTE UNIFORM LEGISLATION**

**ON H.B. No. 271
RELATING TO REAL PROPERTY.**

**BEFORE THE HOUSE COMMITTEE ON WATER, LAND AND OCEAN
RESOURCES**

DATE: Monday, February 9, 2009, at 9:30 a.m.
Conference Room 325, State Capitol

PERSON(S) TESTIFYING: PETER HAMASAKI
Commission to Promote Uniform Legislation

E-MAIL via <http://www.capitol.hawaii.gov/emailtestimony>

Chair Ito, Vice Chair Har, and Members of the House Committee on Water, Land and Ocean Resources:

On behalf of the State of Hawai'i Commission to Promote Uniform Legislation (CPUL), thank you very much for this opportunity to testify in support of H.B. No. 271, Relating to Real Property.

Section 2 of this bill enacts, with some modifications, the Uniform Real Property Electronic Recording Act (URPERA) that was developed by the National Conference of Commissioners on Uniform State Laws (NCCUSL) in 2004. A summary of URPERA prepared by the NCCUSL is appended to this testimony. H.B. No. 271 is very similar to H.B. No. 2302 from the 2008 Regular Session, and which passed the House as House Draft 2.

URPERA equates electronic documents and electronic signatures to original paper documents and manual signatures, so that any requirement for originality (paper document or manual signature) is satisfied by an electronic document and signature.

URPERA is designed to help state administrative agencies meet the demands of the public for quick identification of title ownership. It also should streamline the real estate transaction at a benefit to consumers and every facet of the real estate industry. URPERA is an essential complement to those states that have already adopted UETA

(HRS chapter 489E), acting as an extension of that law's effectiveness.

The basic goal of URPERA is to create legislation authorizing land records officials to begin accepting records in electronic form, storing electronic records, and setting up systems for searching for and retrieving these land records. The intent is only to authorize such activities, not to mandate them.

URPERA has been adopted in eighteen (18) states (Arizona, Arkansas, Connecticut, Delaware, Florida, Idaho, Illinois, Kansas, Minnesota, Nevada, New Mexico, North Carolina, South Carolina, Tennessee, Texas, Virginia, Washington and Wisconsin), as well as the District of Columbia, since it was approved by NCCUSL in 2004. See http://www.nccusl.org/Update/uniformact_factsheets/uniformacts-fs-urpera.asp.

Because it is a uniform act, we are hopeful that the rules, procedures, and systems adopted in other jurisdictions that have enacted URPERA can provide models for Hawai'i, and create a uniform system of registration amongst the different U.S. jurisdictions.

In summary, we support H.B. No. 271.

Thank you very much for this opportunity to testify.