

## Testimony for SB1352 on 3/16/2009 9:00:00 AM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

**Sent:** Monday, March 16, 2009 12:21 AM

**To:** WLOtestimony

**Cc:** [REDACTED]

LATE TESTIMONY

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Testimony for WLO 3/16/2009 9:00:00 AM SB1352

Conference room: 325

Testifier position: oppose

Testifier will be present: No

Submitted by: Zelei Abordo

Organization: Individual

Address: 1727 S Beretania St #2A Honolulu, HI 96826

Phone: 808-741-5258

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Submitted on: 3/16/2009

Comments:

March 15, 2009

COMMITTEE ON WATER, LAND, & OCEAN RESOURCES

Rep. Ken Ito, Chair

Rep. Sharon E. Har, Vice Chair

To Chair Ken Ito and Vice Chair Sharon E Har,

From: Zelei Abordo

Re: SB 1352 SD2

Dear Chair Ito and Vice Chair Har,

My name is Zelei Abordo and I am an employee at the Bureau of Conveyances. I along with other employees at the Bureau have sent in testimony opposing the deregistration of time shares from the land court to the regular system but to no avail. We have explained to legislators that timeshares whether recorded in regular system or land court takes the same amount of time to record but again to no avail. We have explained that mismanagement created the backlog not the timeshares and that the loss of revenue to the bureau could total a million plus dollars but still the bill moves forward. The thing that bothers me the most is the fact that legislators believe that this bill is the best solution they can come up with, which in my opinion continues to prolong potential loss of revenue and potential areas of vulnerability at the Bureau of Conveyances.

I have read all the testimony that are in favor of the bill and realize that I have not seen any testimony from the land court registrar or judiciary regarding this bill. I guess legislators don't need to consider any opinions that they may have regarding this matter.

I keep thinking about the implications of deregistering land court timeshares. Land court timeshares are periods owned in apartments that are on land court property. Are these properties also going to be required to deregister? For example: Hilton Grand Vacations testified in favor of this bill. If their timeshares get deregistered will the Hilton Hawaiian Village be required to deregister their property also? Is it legal to separate land court timeshare periods from land court property? Land court timeshares, although they are only periods that are sold are still subject to the encumbrances of the land. For example timeshare owners are entitled to use the common elements that the building sits on so they are subject to the encumbrances that govern those

common elements. Is this bill really a solution or will it become more of a nightmare down the road?

We agree that with an upgraded infrastructure electronic filings will be a great benefit to both the Bureau of Conveyances employees and the public that we serve. Also, having an employer/employee working group could be beneficial but the idea that deregistering timeshares is a good thing for the Bureau couldn't be further from the truth. Especially, nowadays when you read almost everyday how bad the economy is and the House's recommendations to cut 300 plus state jobs to balance the budget. Then to watch legislators pass a bill that would cause a loss of 1 million plus dollars for the Bureau of Conveyances is unconscionable to me.

It also aggravates me to know that not only are the timeshare associations out in force to see this bill passed but they are also asking to be exempt from paying GE taxes forever in SB 1165 SD1. This is outrageous but all I can do is repeat over and over again that I OPPOSE SB 1352 SD1 and SD2.

Thank you for your consideration.

Sincerely,  
Zelei Abordo

# **STARWOOD**

VACATION OWNERSHIP

9002 San Marco Court  
Orlando, Florida 32819  
(407) 418-7271

March 16, 2009

To: Honorable Ken Ito, Chair  
Honorable Sharon E. Har, Vice Chair  
House Committee on Water, Land & Ocean Resources

Fr: Robin Suarez, Vice President & Associate General Counsel for Starwood  
Vacation Ownership

Re: **SB 1352, SD2 - Relating to Bureau of Conveyances - SUPPORT**  
Committee on Water, Land & Ocean Resources  
Monday, March 16, 2009, Conference Room 325, 9:00 a.m.

Aloha Chair Ito, Vice Chair Har, and Committee members:

My name is Robin Suarez, Vice President & Associate General Counsel for Starwood Vacation Ownership, ("SVO"). Thank you for the opportunity to provide comment in support of SB 1352, SD2, Relating to the Bureau of Conveyances.

The original version of bill proposes to transfer fee simple time share interests from the Land Court System to the regular system and to establish a pilot program to implement electronic recording of fee simple time share interests. Currently every timeshare owner is issued a certificate of title which amounts to thousands of individual owners. This measure will help to streamline the registration process while maintaining adequate protection of ownership.

Time share projects that are currently required to go through the Land Court Registration System are subjected to additional costs and time delays for the recordation of each timeshare interest. The Land Court places limits on the number of documents it will receive from individual developers on a daily basis. Due to the volume of documents generated by timeshare sales, this limitation creates delays and a backlog in recording timeshare sales. Eliminating the tedious process of issuing a certificate of title for each fee simple timeshare interest, which can range from hundreds to thousands of individual timeshare interests, will provide welcome relief to the Land Court's backlog if this process is allowed to be taken up entirely by the Bureau of Conveyances Regular System.

The original version of SB 1352 will help to streamline the recording and tracking of time share interests without compromising consumer protection and it eliminates a costly burden on the Hawai'i Land Court Recorder's office. The SD1 changes unnecessarily delay the implementation of this cost-savings and time-savings measure.

Timeshare projects with their high and consistent rates of occupancy and customer satisfaction are a vital part of Hawai'i's tourism industry. In addition to providing traditional resort operations jobs similar to hotel projects, timeshare projects add high skilled and high compensated sales and marketing jobs. As such, timeshare projects represent a valuable and diverse component of Hawai'i's important tourism market.

For these reasons, we respectfully request your consideration of reinstating the original language of this bill and for your favorable support of SB 1352, SD2.

As always, I thank you for the opportunity to share our views on this matter.



# LATE TESTIMONY

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