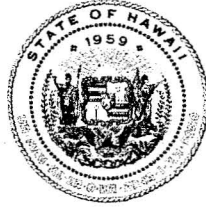


LINDA LINGLE
GOVERNOR OF HAWAII



**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
FINANCE**

**Monday, April 6, 2009
4:00 PM
State Capitol, Conference Room 308**

**In consideration of
SENATE BILL 521, SENATE DRAFT 2, HOUSE DRAFT 1
RELATING TO REAL PROPERTY**

Senate Bill 521, Senate Draft 2, House Draft 1 proposes that the Registrar of the Bureau of Conveyances (Bureau) provide to the county designated to act as a clearinghouse, an image and index of all documents relating to regular system land recorded in the Bureau. Further, this information is to be provided within ten days of the week of recording and without charge. The Department of Land and Natural Resources (Department) is opposed to this bill.

Currently, the Registrar has been meeting with the Administrator of the Real Property Assessment Division of the City and County of Honolulu to develop a process of transmitting the images and index information. Even though the Bureau does not require the tax map key numbers to be captured, the City and County of Honolulu requests the tax map key number to be included with the index information. In an effort to work toward a common goal of providing information to the City and County of Honolulu, the staff of the Bureau has begun inputting the tax map key numbers.

The Department believes this is unnecessary legislation. The Registrar of the Bureau of Conveyances and the Administrator of the Real Property Assessment Division of the City and County of Honolulu should be able to accomplish this transfer of information through a continued effort of working together to achieve this goal.

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
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING

FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIHOOLOWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

William P. Kenoi
Mayor



Nancy E. Crawford
Director

Deanna S. Sako
Deputy Director

County of Hawaii

Finance Department

25 Aupuni Street, Room 118 • Hilo, Hawaii 96720
(808) 961-8234 • Fax (808) 961-8248

April 3, 2009

The Honorable Marcus R. Oshiro, Chair
and Members of the House Committee on Finance
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Oshiro and Members of the Committee:

RE: Testimony in Support of Senate Bill No. 521, SD2, HD1 (HSCR 1263)
Hearing Monday, April 6, 2009, at 4:00 p.m., Conference Room 308

The Department of Finance, County of Hawai'i, Real Property Tax Division is tasked with assessing real property and maintaining current ownership records for Ad Valorem tax purposes. We strongly support S.B. 521, SD2, HD1 (HSCR 1263) relating to real property, requiring the Registrar of the Bureau of Conveyances to provide, within 10 days and free of charge, an image and index of all instruments that contain real property transactions each week to the administrator of the city and county of Honolulu's real property assessment division.

The City and County of Honolulu's real property assessment division will then make that data available to the other counties. This amendment enables the counties to promptly track property ownership, encumbrances, restrictions, uses, and sales prices for real property tax assessment and billing purposes. Access to the documents filed at the Bureau of Conveyances is critical to the counties' real property assessment programs.

This transfer of data has, to date, been dependent on private agreements and these agreements are currently in jeopardy. The real property divisions face the prospect of either adding greatly to the costs of running the real property assessment process or worse being cut off from data needed to function.


Other jurisdictions assessing a real property tax have similar mechanisms in place requiring the rapid and accurate transfer of all conveyances on a regular basis from their

regular registrars to the various assessment offices recognizing the vital nature of this link.

We urge the committee to pass this extremely important bill which along with a complementary bill addressing the Land Court System (S.B.522, SD2, HD1 HSCR1264) as this would give the counties the means to equitably administer their real property tax programs in a timely and cost effective manner.

Thank you for your attention to our concerns.

Sincerely,



for Nancy Crawford
Director of Finance

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU

REAL PROPERTY ASSESSMENT DIVISION
33 SOUTH KING STREET, #101 * HONOLULU, HAWAII 96813
PHONE: (808) 768-7901 * FAX (808) 768-7782
WWW.HONOLULU.GOV

MUFI HANNEMANN
MAYOR



RIX MAURER III
DIRECTOR

MARK K. OTO
DEPUTY DIRECTOR

GARY T. KUROKAWA
ADMINISTRATOR

April 3, 2009

Honorable Marcus R. Oshiro, Chair
Honorable Marilyn B. Lee, Vice-Chair
Finance Committee
State House, 48 House District
Hawaii State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

RE: S.B. 521 SD2 HD1 - Relating to Real Property

The City and County of Honolulu supports S.B. 521 SD2 HD1, which would require the registrar of the bureau of conveyances to provide, within 10 days after each week and free of charge, an image and index of all documents and instruments which have been recorded in the registrar's office that week relating to regular system land in all the counties, to the county designated in a memorandum of understanding agreed upon by the counties to act as a central clearinghouse.

The process envisioned by this proposal would ensure consistent delivery of documents vital to the counties' property assessment programs, and more importantly, provide the counties the means to accurately and timely determine real property tax assessments, and minimize the cost to taxpayers.

We respectfully urge you to approve this proposed bill.

Thank you for your support and if you have any questions, please call me at 768-7901 or by email at gkurokawa@honolulu.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Kurokawa", is written over a circular stamp.

Gary T. Kurokawa
Administrator
Real Property Assessment Division

GTK:dl

CHARMAINE TAVARES
Mayor



KALBERT K. YOUNG
Director of Finance

AGNES M. HAYASHI
Deputy Director of Finance

SCOTT K. TERUYA
Acting Administrator

COUNTY OF MAUI
DEPARTMENT OF FINANCE

REAL PROPERTY TAX DIVISION

70 E. KAAHUMANU AVENUE, SUITE A-16, KAHULUI, MAUI, HAWAII 96732

Assessment: (808) 270-7297 | Billing and Collection: (808) 270-7697 | Fax: (808) 270-7884
www.mauipropertytax.com

Honorable Marcus R. Oshiro
Finance Committee, Chair

County of Maui, Department of Finance, Real Property Tax Division
Monday, April 6, 2009

Support of SB 521, Relating to Real Property

The County of Maui, Real Property Tax Division supports the City's proposed SB 521, as amended, Relating to Real Property, which would provide the Counties an image and index of all instruments and documents recorded with the registrar's office within ten days and free of charge.

Obtaining documents in a timely manner enables the Counties to promptly maintain ownership records necessary for public notification and real property taxation purposes. Property owners are also affected and will benefit as applicants seeking zoning change, conditional use permits, bed and breakfast permits, and transient vacation rental permits are required to mail notifications to property owners within a specified radius notifying owners of the proposed use.

Under existing law, the registrar of the Bureau of Conveyances must furnish an attested copy of any instrument or document recorded in the registrar's office when requested. This amendment will simply add a timetable to help assure the timely receipt of the documents and by not charging the Counties; no added fees are passed on to the taxpayers.

We urge you to pass this proposed amendment and give the Counties the means to maintain their records in a timely manner for the public's best interest.

If you have any questions, please contact me at 808-270-7739 or by e-mail at scott.teruya@co.maui.hi.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott K. Teruya".

Scott K. Teruya
Acting Real Property Tax Administrator

April 3, 2009

Honorable Marcus R. Oshiro, Chair
Honorable Marilyn B. Lee, Vice-Chair
Finance Committee
State House, 48 House District
Hawaii State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

RE: S.B. 521 SD2 HD1 - Relating to Real Property

The City and County of Honolulu supports S.B. 521 SD2 HD1, which would require the registrar of the bureau of conveyances to provide, within 10 days after each week and free of charge, an image and index of all documents and instruments which have been recorded in the registrar's office that week relating to regular system land in all the counties, to the county designated in a memorandum of understanding agreed upon by the counties to act as a central clearinghouse.

The process envisioned by this proposal would ensure consistent delivery of documents vital to the counties' property assessment programs, and more importantly, provide the counties the means to accurately and timely determine real property tax assessments, and minimize the cost to taxpayers.

We respectfully urge you to approve this proposed bill.

Thank you for your support and if you have any questions, please call me at 768-7901 or by email at gkurokawa@honolulu.gov.

Sincerely,

Gary T. Kurokawa
Administrator
Real Property Assessment Division

**DOWLING
COMPANY, INC**

Room # 308 4:00 AM April 6, 2009

**HOUSE COMMITTEE ON FINANCE
SB521, SD2, HD1**

Chair Oshiro, Vice Chair Lee, and Committee Members:

My name is Everett Dowling and I am the President and Owner of Dowling Company, Inc. ("DCI"). DCI is a Maui-based real estate development company.

DCI supports SB521, SD2, HD1 because it will ensure that the counties and the public will be able to promptly track property ownership, encumbrances, restrictions, uses, and sale prices of real property to accurately determine the real property assessment. This is vital information for the County and the public, and it needs to be current.

Thank you for the opportunity to submit testimony in support.