
A BILL FOR AN ACT

RELATING TO TITLE INSURERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 431:20-113, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:
3 "(b) Except as allowed by [~~regulations promulgated~~] rules
4 adopted by the commissioner, no title insurer shall knowingly
5 issue any title insurance policy [~~or~~], commitment to insure, or
6 title report without showing all outstanding, enforceable
7 recorded liens or other interests against the property for which
8 the title [~~to which~~] is to be insured[-]; provided that title
9 reports under this subsection shall show any notice recorded
10 pursuant to section 501-151 or 634-51, or under any other law or
11 process, regarding the pendency of any action affecting title to
12 the property. As used in this subsection, "title report" means
13 a written analysis of the status of title to real property to
14 determine rights and claims to the property and that provides
15 pertinent information such as a description of the property,
16 names of titleholders and how title is held, tax rates,
17 encumbrances, and real property taxes due.



H.B. NO. 1704

1 In addition to any other penalty provided by law, any
 2 person who violates this subsection shall be guilty of a class C
 3 felony."

4 SECTION 2. This Act does not affect rights and duties that
 5 matured, penalties that were incurred, and proceedings that were
 6 begun before its effective date.

7 SECTION 3. Statutory material to be repealed is bracketed
 8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval.

10

INTRODUCED BY: 
 JAN 11 2012



H.B. NO. 1704

Report Title:

Title Insurers; Title Reports; Notice of Liens and Pending Actions

Description:

Requires title insurers to include recorded liens and pending actions in title reports. Establishes criminal penalties for knowingly issuing title insurance or title reports without disclosing pending actions or other interests against the real property.

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