

STAND. COM. REP. NO.

2728

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2224
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2224, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE TAX LIEN AND ENCUMBRANCE RECORD, "

begs leave to report as follows:

The purpose and intent of this measure is to clarify that judgments are valid claims for purposes of encumbrances in the tax lien and encumbrance record.

In addition, this measure:

- (1) Allows a taxpayer to enter into a payment agreement with the Department of Taxation to avoid a lien and encumbrance recordation; and
- (2) Clarifies that, under certain conditions, state and county agencies are not required to pay a fee for the recording of an entry in the tax lien and encumbrance record.

Your Committee received written comments in support of this measure from the City and County of Honolulu, Division of Motor Vehicles, Licensing and Permits.

Your Committee finds that encumbrances on real property and motor vehicles are an effective mechanism for recovering outstanding debts. This measure will facilitate state and county

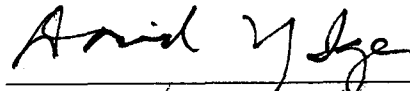
SB2224 SD1 SSCR LRB 12-1702.doc



agencies' use of the tax lien and encumbrance record to assist in the recovery of outstanding debts owed to the agencies.

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. 2224, S.D. 1, and recommends that it pass Third Reading.

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



DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2224 SDI	Committee Referral: TIA/PGM/JDL, WAM	Date: 2-24-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.	✓			
RYAN, Pohai				✓
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
TOTAL	13	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
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*Only one measure per Record of Votes