



**GOV. MSG. NO. 1147**

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

April 23, 2014

The Honorable Donna Mercado Kim,  
President  
and Members of the Senate  
Twenty-Seventh State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

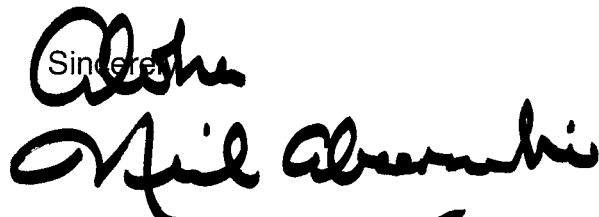
The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Seventh State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on April 23, 2014, the following bill was signed into law:

SB2233

RELATING TO BUREAU OF CONVEYANCES  
**ACT 047 (14)**

Sincerely,  


NEIL ABERCROMBIE  
Governor, State of Hawaii

RECEIVED  
THE SENATE  
CLERK'S OFFICE  
STATE OF HAWAII

'14 APR 24 P5:32

RECEIVED  
SENATE  
OFFICE OF THE PRESIDENT

'14 APR 24 P5:04

Approved by the Governor

on APR 23 2014

THE SENATE  
TWENTY-SEVENTH LEGISLATURE, 2014  
STATE OF HAWAII

ACT 047  
S.B. NO. 2233

JAN 16 2014

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# A BILL FOR AN ACT

RELATING TO BUREAU OF CONVEYANCES.

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

1           SECTION 1. The legislature finds that Act 120, Session  
2 Laws of Hawaii 2009, provided for the voluntary deregistration  
3 of land registered in the land court system and established a  
4 procedure to move these transactions to the regular system in  
5 the bureau of conveyances.

6           The legislature further finds that Act 119, Session Laws of  
7 Hawaii 2013, separated the deregistration of time share  
8 interests from the voluntary deregistration of other lands under  
9 part II of chapter 501, Hawaii Revised Statutes. Under Act 119,  
10 deregistration of time share interests was made mandatory and  
11 permanent, while the December 31, 2014, repeal date for  
12 voluntary deregistration and transfer of fee non-time share  
13 interests remained in place.

14           The legislature additionally finds that an ad hoc working  
15 group has been considering the implications of the voluntary  
16 deregistration under Act 119 and evaluating different models for  
17 implementation of voluntary deregistration of fee non-time share  
18 interests. Extending the sunset date for the voluntary



1 deregistration of fee non-time share interests would permit the  
2 working group to continue its work on part II of chapter 501,  
3 Hawaii Revised Statutes.

4 The purpose of this Act is to:

- 5 (1) Extend the sunset date of Act 119, Session Laws of  
6 Hawaii 2013, relating to the deregistration of fee  
7 non-time share interests; and  
8 (2) Clarify the actions taken after a certificate of title  
9 for a fee time share interest is deregistered and  
10 marked canceled by the assistant registrar.

11 SECTION 2. Section 501-261, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 **"§501-261 Deregistration of fee time share interests.** The  
14 certificate of title for each fee time share interest shall be  
15 canceled effective as of the date and time of deregistration of  
16 such fee time share interest. Notwithstanding the provisions of  
17 section 501-261 in existence prior to July 1, 2012, a fee time  
18 share interest for which a certificate of title was not recorded  
19 in the bureau of conveyances pursuant to chapter 502 and part II  
20 of this chapter prior to July 1, 2012, shall be deregistered on  
21 July 1, 2012, at 12:01 a.m.



1 (1) Beginning on July 1, 2012, and continuing for so long  
2 as shall be reasonably necessary in the ordinary  
3 course of business, the assistant registrar shall:

4 (A) Note on the certificate of title for each fee  
5 time share interest all documents and instruments  
6 affecting the fee time [+]share[+] interest:

7 (i) That were or are registered as of a date and  
8 time prior to the date and time of  
9 deregistration of the fee time share  
10 interest; and

11 (ii) That were not yet noted on the certificate  
12 of title of the fee time share interest as  
13 of the date and time of deregistration  
14 thereof; and

15 (B) Certify each certificate of title.

16 (2) Section 501-196 shall apply to a certificate of title  
17 updated pursuant to paragraph (1) upon approval of the  
18 same by the assistant registrar, which approval shall  
19 be evidenced by a certification of the assistant  
20 registrar endorsed upon the certificate of title. A  
21 certificate of title for a fee time share interest,  
22 including but not limited to a certificate of title



1 recorded prior to July 1, 2012, pursuant to part II of  
2 this chapter 501, shall not be considered completed or  
3 approved, and shall be subject to modification by the  
4 assistant registrar, at any time prior to  
5 certification thereof by the assistant registrar.

6 Subsequent to the certification, the certificate of  
7 title for a fee time share interest may only be  
8 modified pursuant to section 501-196 or as otherwise  
9 provided in this chapter.

- 10 (3) Upon certification of the certificate of title for a  
11 fee time share interest by the assistant registrar,  
12 the assistant registrar shall mark the certificate of  
13 title "canceled", note the cancellation of the  
14 certificate of title in the registration book, and  
15 notify the court and the state surveyor of the  
16 cancellation. The registrar shall thereupon be  
17 authorized to file a record of the cancellation in the  
18 application or consolidation file, and the state  
19 surveyor shall then be authorized to annotate the land  
20 court map or maps by identifying thereon the  
21 deregistered land and noting thereon the bureau of  
22 conveyances document number of the canceled



1           certificate. Regardless of the date upon which such  
2           administrative acts are performed, the cancellation of  
3           the certificate of title for a fee time share interest  
4           shall be effective as of the date and time of  
5           deregistration of that fee time share interest.

6           (4) If only part of the land described in the certificate  
7           of title consists of a fee time share interest, then  
8           upon the petition of the registered owner of that  
9           portion of the registered land not constituting a fee  
10          time share interest, a new certificate of title shall  
11          be issued to such owner for that portion of the  
12          registered land not constituting a fee time share  
13          interest. If registered land is held in the  
14          condominium form of ownership, then for purposes of  
15          this subsection each unit for which a separate  
16          certificate of title has been issued shall be treated  
17          as if it were a separate parcel of registered land.

18          (5) Except as provided in paragraph (4), no order of court  
19          shall be required prior to or in connection with the  
20          performance of any of the foregoing actions."

21          SECTION 3. Act 119, Session Laws of Hawaii 2013, is  
22          amended by amending section 13 to read as follows:



# S.B. NO. 2233

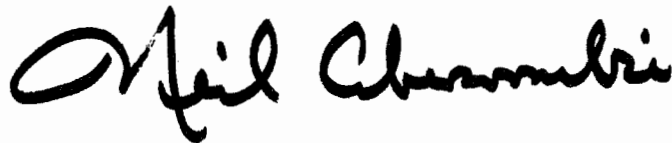
1 "SECTION 13. This Act shall take effect upon its approval;  
2 provided that section 2 of this Act shall be repealed on  
3 December 31, [~~2014.~~] 2016."

4 SECTION 4. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.

7

APPROVED this 23 day of APR, 2014



GOVERNOR OF THE STATE OF HAWAII