

Honolulu, Hawaii

February 12, 2016

RE: H.B. No. 2175

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2175 entitled:

"A BILL FOR AN ACT RELATING TO PARTITION OF HEIRS PROPERTY,"

begs leave to report as follows:

The purpose of this measure is to adopt the Uniform Partition of Heirs Property Act.

More specifically, this measure establishes procedures and remedies to be used in actions for the partition of heirs property. The measure defines the term "heirs property" as real property that is held under a tenancy in common in which:

- (1) There is no binding agreement among the cotenants governing partition of the property;
- (2) One or more of the cotenants acquired title from a relative; and
- (3) Any of the following applies:
 - (A) Twenty per cent or more of the interests are held by cotenants who are relatives;
 - (B) Twenty per cent or more of the interests are held by an individual who acquired title from a relative; or



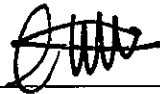
- (C) Twenty per cent or more of the cotenants themselves are relatives.

Your Committee received comments on this measure from the Commission to Promote Uniform Legislation.

Your Committee finds that partitioning real property held in tenancy in common without a binding agreement, when one or more of the cotenants acquired their interest from a relative, can be a complicated process. A partition of real property held in tenancy in common can result in tenants being forced from their family homes and real property being valued below fair market value. Your Committee believes that this measure provides cotenants of heirs property with many of the protections and rights commonly found in private agreements governing the partition of property held in tenancy in common by establishing procedures and remedies to be used under certain real property partition actions.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2175 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



