

STAND. COM. REP. NO. **2517**

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2660

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2660 entitled:

"A BILL FOR AN ACT RELATING TO BUREAU OF CONVEYANCES,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal the sunset date of section 501-261.5, Hawaii Revised Statutes, which authorizes owners of registered non-time share interests to deregister those interests from the Land Court System.

Specifically, this measure repeals the sunset date of December 31, 2016, set forth in section 2 of Act 119, Session Laws of Hawaii 2013, as amended by Act 47, Session Laws of Hawaii 2014.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, American Resort Development Association Hawaii, and the legislative counsel for the American Resort Development Association Hawaii.

Your Committee finds that in 2013, the Legislature required that all time share interests be deregistered from recordation in the Land Court System and be recorded in the Bureau of Conveyances System. In addition, the Legislature allowed for the voluntary deregistration of non-time share interests from recordation in the Land Court System, which has been codified as section 501-261.5, Hawaii Revised Statutes. However, the Legislature established a



sunset date for section 501-261.5, Hawaii Revised Statutes, which has been subsequently extended to December 31, 2016.

Your Committee further finds that if section 501-261.5, Hawaii Revised Statutes, is allowed to sunset, recordation of the units within a new building that contains both time share and non-time share units could be split with some units recorded in the Land Court System and other units recorded in the Bureau of Conveyances System. Repealing the sunset date of section 501-261.5, Hawaii Revised Statutes, will permanently allow developers to withdraw entire projects from the Land Court System and record the ownership of each unit in the Bureau of Conveyances System, which will help to avoid needless complexity in legal documentation.

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. 2660 and recommends that it pass Third Reading.

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



JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2660	Committee Referral: CPH, WAM	Date: 2/17/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	11			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes