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SHAN S. TSUTSUI
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**TESTIMONY OF
THE OFFICE OF THE LIEUTENANT GOVERNOR
TO THE
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH**

**SENATE BILL 2910
Relating to Time Share Commissioners of Deeds**

Chair Baker, Vice-Chair Kidani, and Members of the Committee:

The Office of the Lieutenant Governor supports Senate Bill 2910, Relating to Time Share Commissioners of Deeds. This measure adds new sections to chapter 503B, Hawaii Revised Statutes to clarify the Lieutenant Governor's rulemaking authority; authorizes the Lieutenant Governor to assess and collect fees and administrative fines; clarifies that the Lieutenant Governor is responsible for the commissioners of deeds program; increases the surety bond requirement from \$1,000 to \$10,000; and makes an appropriation.

Act 277, SLH 2013 (now codified as Chapter 503B, HRS) established the Time Share Commissioners of Deeds Program within the Office of the Lieutenant Governor. Act 277 requires the Office of the Lieutenant Governor to establish a process for the Governor to appoint individuals to serve as Commissioners of Deeds to administer oaths, take acknowledgements, and take proofs of execution outside of the United States in connection with the execution of conveyance documents relating to a time share interest, any property subject to a time share plan, or the operation of a time share plan covering any property located within Hawaii.

Preparing for the implementation of the law and to address concerns with the law, a working group consisting of the Office of the Lieutenant Governor, the Department of the Attorney General, the Department of Commerce and Consumer Affairs, the Bureau of Conveyances, and members of the time share industry was convened and met on multiple occasions over the course of several months to discuss and analyze the law. Although substantial progress has been made to draft proposed administrative rules for the program's implementation, it was determined that additional legislation and authorization is necessary prior to implementation. This measure addresses those issues and will provide the Office of the Lieutenant Governor with the necessary authority and clarification to properly and effectively implement the law.

At the moment, fiscal impact and impact on the state economy is unknown as the program cannot be fully implemented without these amendments. The Office of the Lieutenant Governor supports SB 2910 and respectfully urges the passage of this bill. Thank you for the opportunity to testify.