

STAND. COM. REP. NO.

440

Honolulu, Hawaii

February 16, 2017

RE: H.B. No. 403

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Intrastate Commerce and Consumer Protection & Commerce, to which was referred H.B. No. 403 entitled:

"A BILL FOR AN ACT RELATING TO SECURITY INTERESTS IN REAL PROPERTY,"

beg leave to report as follows:

The purpose of this measure is to clear the public record of extraneous security interests from titles to real property by authorizing title insurers or underwritten title companies to reassign or release a mortgagee's security interest in leases and rents under certain conditions and upon full payment of the mortgage and discharge of the secured debt.

The Department of Land and Natural Resources, Title Guaranty of Hawaii, Inc., Hawaii Land Title Association, and Hawaii Association of Realtors supported this measure. Hawaii Financial Services Association offered comments.

Your Committees have amended this measure by changing its effective date to July 1, 2009, to promote further discussion.

As affirmed by the records of votes of the members of your Committees on Intrastate Commerce and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 403, as amended herein, and recommend that it pass Second Reading in the form

HB403 HD1 HSCR IAC-CPC HMS 2017-2219



attached hereto as H.B. No. 403, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Intrastate Commerce and Consumer Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



TAKASHI OHNO, Chair

