



SYLVIA LUKE
LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'āina

32nd Legislature, State of Hawaii
Senate Committee on Judiciary
February 28, 2024

Testimony on
S.B. 3170 - RELATING TO TIME SHARE COMMISSIONERS OF DEEDS

Chair Rhoads, Vice Chair Gabbard, and Members of the Committee:

Thank you for the opportunity to provide testimony in **support of S.B. 3170** which repeals the time share commissioners of deeds in Chapter 503B, Hawaii Revised Statutes.

The time share commissioners of deeds was enacted in 2013 to increase efficiency and convenience for foreign buyers to purchase Hawai'i timeshare properties and boost Hawai'i's tourism industry. The law authorizes the Lieutenant Governor to appoint commissioners in the United States, its territories and possessions, and in any foreign country and international waters, to administer oaths and take acknowledgments and proofs of a deed, assignment of lease, mortgage, contract, power of attorney, or other instruments used in connection with time share interests, for use or recordation in Hawai'i.

My staff was unable to locate any record of previously appointed commissioners of deeds or administrative rules to enact Chapter 503B, HRS. Additionally, Act 54, Session Laws of Hawaii 2020, updated laws regarding notaries public to conform to the Revised Uniform Law on Notarial Acts (2018), the Hawaii Uniform Electronic Transactions Act, other state notary laws, and current notary practices, which I believe appropriately addresses the ability to purchase timeshare properties in Hawaii. However, if affected parties assert that they will utilize the time share commissioners of deeds, my office will implement the program.

Thank you for the opportunity to provide testimony in support of S.B. 3170.



February 27, 2024

TO: Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Members of the Senate Judiciary Committee

FR: AMERICAN RESORT DEVELOPMENT ASSOCIATION – HAWAII (ARDA-Hawaii)

RE: **SB 3170, SD1, - RELATING TO TIME SHARE COMMISSIONERS OF DEEDS**
Hearing date: Wednesday, February 28, 2024, at 10:00 a.m.

Aloha Chair Rhoads, Vice Chair Gabbard and members of the Senate Judiciary Committee,

ARDA-Hawaii is the local chapter of the trade association for the timeshare industry. There are currently 98 resorts and more than 15,000 timeshare units throughout Hawaii. ARDA-Hawaii hereby submits testimony in **SUPPORT of SB 3170, SD 1**, relating to the repeal of Chapter 503B, the time share commissioners of deeds statute (“Chapter 503B”).

Chapter 503B was initially enacted in 2013 to provide a commissioner of deeds with the authority to administer oaths, and to take acknowledgements and proofs of execution for any writing to be used or recorded in this State in connection with a time share interest, any property subject to a time share plan, or the operation of a time share plan that includes any property located within this State where such instrument or writing is executed outside the United States.

Since that time, this process has not been utilized. Rather, industry members are able to notarize writings executed outside of the United States by way of a remote notary as provided under Hawaii Revised Statutes §456-23.

Thank you for your consideration.

Respectfully submitted,

Justin J. Vermuth
ARDA Hawaii