



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Judiciary and Labor

Senator Clayton Hee, Chair
Senator Maile S.L. Shimabukuro, Vice Chair

and

Senate Committee on Commerce and Consumer Protection

Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, vice Chair

Tuesday, February 11, 2014, 9:31 a.m.
State Capitol, Conference Room 229

by
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First Circuit

Bill No. and Title: Senate Bill No. 2477, Relating to Land Court.

Purpose: Authorizes the use of a master certificate of title for common interest communities to simplify and streamline the operation of the land court.

Judiciary's Position:

The Judiciary respectfully takes no position on Senate Bill No. 2477, however would like to provide comments. Under the current land court system, any amendments to documents governing a condominium or planned community must be noted on the certificate of title for each unit. This is to ensure that there is continuous chain of title.

This Judiciary would like point to a number of issues which are of concern:

1. Senate Bill No. 2477 creates confusion in the undivided interest for condominium units should the undivided interest change for units;



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2. Section 2, subsection (c) states that the association of a common interest may petition the court for issuance of a master certificate of title however, it is not clear what court would approve a petition and what that process would be.

Although the Judiciary does not take a position on the policy decision, in lieu of adding a new section, HRS§ 501-75 should be amended to add a (a) New Transfer Certificate of Title to identify the project name Homeowners.

Thank you for the opportunity to testify on Senate Bill No. 2477.