

SB 915

Measure Title: REPEALING A SUNSET PROVISION IN SECTION 21 OF ACT 120, SESSION LAWS OF HAWAII 2009.

Report Title: Bureau of Conveyances; Deregistration

Description: Makes part II of chapter 501, HRS, relating to land recordings and deregistration of fee simple timeshare interests, permanent by repealing the applicable sunset provision in section 21 of Act 120, Session Laws of Hawaii 2009.

Companion: [HB1193](#)

Package: None

Current Referral: CPN, JDL

Introducer(s): KIM (Introduced by request of another party)

<u>Sort by Date</u>		Status Text
1/24/2013	S	Introduced.
1/24/2013	S	Passed First Reading.
1/24/2013	S	Referred to WTL/CPN, JDL.
1/31/2013	S	Re-Referred to CPN, JDL.
1/31/2013	S	The committee(s) on CPN added the measure to the public hearing scheduled on 02-08-13 9:00AM in conference



The Judiciary, State of Hawaii

**Testimony to the
Senate Committee on Commerce and Consumer Protection**
Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair

Friday, February 8, 2013, 9:00 a.m.
State Capitol, Conference Room 229

by
Calvin C. Ching
Deputy Chief Court Administrator

Bill No. and Title: Senate Bill No. 915, Repealing a Sunset Provision in Section 21 of Act 120, Session Laws of Hawaii 2009.

Purpose: The bill makes part II of chapter 501, HRS, relating to land recordings and deregistration of fee simple timeshare interests, permanent by repealing the applicable sunset provision in section 21 of Act 120, Session Laws of Hawaii 2009.

Judiciary's Position:

Senate Bill No. 915 proposes to repeal the sunset provision of Section 2 of Act 120, Session Laws of Hawaii 2009, relating to de-registering land from Land Court.

The Judiciary notes that Section 2 of Act 120, Session Laws of Hawaii 2009 provides for the sunset of (1) the de-registration of fee time share interests and (2) the voluntary de-registration of non time share fee interests.

The Judiciary supports the repeal of the sunset provision of Act 120, Session Laws of Hawaii 2009 relating to the de-registration from Land Court of fee simple time share interests, however the Judiciary has concerns about the sunset of the voluntary de-registration of non time share fee simple interests and current voluntary de-registration provisions. It is not the Judiciary's intent to oppose the passage of Senate Bill No. 915, but the Judiciary would like to continue to seek improvements to the process to ensure consistency.



Senate Bill No. 915, Repealing a Sunset Provision in Section 21 of Act 120,
Session Laws of Hawaii 2009.

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The Judiciary is proposing that the sunset date of December 31, 2014 be retained for voluntary de-registration of fee simple interests. The Judiciary will continue working with an the *ad hoc* group of stakeholders to resolve issues that have arisen in the voluntary de-registration of non time share fee interests with the intent to propose legislation for the 2014 session.

Thank you for the opportunity to testify on this measure.



February 7, 2013

TO: SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Senator Rosalyn Baker, Chair
Senator Brickwood Galuteria, Vice Chair

FROM: Daniel Dinell
ARDA – Hawaii, Chair

RE: SB 915, Repealing a Sunset Provision in Section 21 of Act 120, Session Laws of Hawaii 2009

Position: Support

Dear Chair Baker, Vice Chair Galuteria and members of the Committee:

The American Resort Development Association (ARDA) Hawaii, the local chapter of a national timeshare trade association supports S.B. 915 making permanent the transfer of time share fee purchase documents from the land court to the Bureau of Conveyances regular system. There are 87 time share properties located across the four largest islands with more than 10,000 timeshare units and more planned for the future.

In 2012, a bill was passed to automatically transfer all existing time share recordations from the Land Court to the Regular system. This 2012 bill was intended to ease the continuing backlog and streamline the process to deregister the remaining time share interests.

The current bill would complement that effort by removing the sunset date of December 31, 2014 of section 2 of Act 120 Session Laws 2009. This 2009 law addressed the backlog in the Land Court system and transferred fee time share interest recording from the Land Court system to the Regular system, encouraged the setting of fees, and allowed for electronic submission of documents.

In short, the 2009 and 2012 laws are doing what the Legislature intended and thus ARDA supports removal of the sunset provision in order to make permanent the changes that are working.

Thank you for the opportunity to submit written testimony in support of S.B. 915.

"Timeshare With Aloha"

**Testimony of
Mihoko E. Ito
on behalf of
Wyndham Vacation Ownership**

DATE: February 6, 2013

TO: Senator Rosalyn Baker
Chair, Committee on Commerce and Consumer Protection
Submitted Via CPNTestimony@Capitol.hawaii.gov

RE: **S.B. 915 – Repealing a Sunset Provision in Section 21 of Act 120, Session
Laws of Hawaii 2009**
Hearing Date: Friday, February 8, 2013 at 9:00am
Conference Room 229

Dear Chair Baker and Members of the Committee on Commerce and Consumer Protection:

I am Mihoko Ito, testifying on behalf of Wyndham Vacation Ownership.

Wyndham Vacation Ownership offers individual consumers and business-to-business customers a broad suite of hospitality products and services through its portfolio of world-renowned brands. Wyndham has a substantial presence in Hawaii through its Wyndham Vacation Resorts and WorldMark by Wyndham brands.

Wyndham supports S.B. 915, which eliminates the sunset date for Act 120, Session Laws of Hawaii 2009. Act 120 deregistered fee simple time share transactions from the Land Court system, and provided a procedure to move these transactions to the regular system in the Bureau of Conveyances.

The number of owners of a fee simple time share ranges from hundreds to thousands, with each owner holding has a percentage interest in the time share property. The removal of fee simple time share transactions from Land Court has eliminated the need to issue a certificate of title for each fee simple time share unit for each owner, and has significantly streamlined the registration process for fee simple timeshare interests. For these reasons, we support this measure and ask for your favorable support.

Thank you very much for the opportunity to submit testimony.

Gary M. Slovin
Mihoko E. Ito
Christine Ogawa Karamatsu
Tiffany N. Yajima

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McCORRISTON MILLER MUKAI MACKINNON LLP

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February 4, 2013

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on
Commerce and Consumer Protection
Twenty-Seventh Legislature
Regular Session, 2013

Re: S.B. 915
Hearing on February 8, 2013, 9:00 a.m.
Conference Room 229

Dear Chair, Vice-Chair and Members of the Committee:

My name is Charles Pear. I represent SVO Pacific, Inc., a Florida corporation. It is a wholly owned subsidiary of Starwood Vacation Ownership, the time share arm of Starwood Hotels and Resorts Worldwide, Inc. It is the developer of various Westin and Sheraton time share plans, including the Westin Ka'anapali Ocean Resort Villas (on Maui), the Westin Ka'anapali Ocean Resort Villas North (also on Maui) and the Westin Princeville Ocean Resort Villas (on Kauai).

SVO Pacific, Inc. supports the bill.

Last year we worked with an *ad hoc* Land Court Working Group formed for the purpose of reviewing and revising a bill refining a 2009 law providing that time share interests would be recorded in the Bureau of Conveyances instead of the Land Court. The group consisted of representatives of the Bureau, the Judiciary, the Hawaii Land Title Association, and the undersigned on behalf of SVO Pacific, Inc., a constituent member of ARDA. After many drafts, the members of the group settled on a draft and it was passed last year.

At this point, all time share interest deeds and mortgages are recorded in the regular system of the Bureau of Conveyances. SVO Pacific, Inc. finds that this is helping to clear the backlog of recordings at the Land Court side of the Bureau of Conveyances. SVO Pacific, Inc requests that this bill be passed so that timeshare recordings will continue to take place in the regular system of the Bureau of Conveyances, instead of the Office of the Assistant Registrar, which is also located in the Bureau of Conveyances.

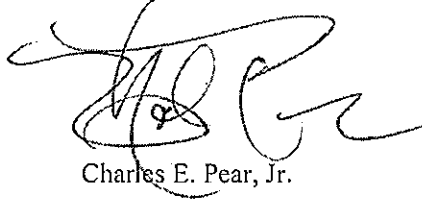
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Chair, Vice-Chair and Members,
Senate Committee on Commerce and Consumer Protection
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Thank you for your kind consideration of this legislation. I would be happy to take any questions if you think that I may be of some small assistance.

Very truly yours,

MCCORRISTON MILLER MUKAI MACKINNON LLP

A handwritten signature in black ink, appearing to read 'CEP', with a stylized flourish extending to the right.

Charles E. Pear, Jr.

Lorrin Hirano
1212 Nuuanu Avenue #604
Honolulu, Hawaii 96817

February 7, 2013

The Honorable Rosalyn H. Baker, Chair
Members of the Senate Committee on Commerce and Consumer Protection
State Capitol, Room 229
Honolulu, Hawaii 96813

**Re: Senate Bill 915 Relating to Repealing A Sunset Provision In Section
21 Of Act 120, Session Laws of Hawaii 2009**
Hearing Date: Friday, February 8, 2013
Hearing Time: 9:00 a.m.

Dear Chair Baker, Vice Chair Galuteria, and Members of the Senate Committee on
Commerce and Consumer Protection:

My name is Lorrin Hirano, and I am an attorney licensed to practice law in the
State of Hawaii. I am submitting this testimony in my individual capacity and not in
connection with my employment or any organization to which I belong.

I strongly support the repeal of the sunset provision of Act 120 as it relates to the
present and future deregistration from land court of fee simple timeshare interests.

I also support the concept of voluntary deregistration of other interests in land
court property. While I do not believe that the current voluntary deregistration
provisions are substantively defective, I feel that adjustments and improvements should
be made to the process to ensure that the records of the land court judiciary and the
office of the State Surveyor are consistent. If it is possible to do so without jeopardizing
the elimination of the sunset provision as to timeshare interests, I would support a
modification of Senate Bill 915 to retain the sunset date of December 31, 2014 for other
voluntary deregistrations in order to allow one more legislative session to consider
amendments to the voluntary deregistration process.

If you have any questions, I would be happy to be contacted at 533-5842.

Sincerely,


Lorrin Hirano