

JAN 22 2008

A BILL FOR AN ACT

RELATING TO SOCIAL SECURITY NUMBER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 501-151, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "§501-151 Pending actions, judgments; recording of,
4 notice. No writ of entry, action for partition, or any action
5 affecting the title to real property or the use and occupation
6 thereof or the buildings thereon, and no judgment, nor any
7 appeal or other proceeding to vacate or reverse any judgment,
8 shall have any effect upon registered land as against persons
9 other than the parties thereto, unless a full memorandum
10 thereof, containing also a reference to the number of
11 certificate of title of the land affected is filed or recorded
12 and registered. Except as otherwise provided, every judgment
13 shall contain or have endorsed on it the [~~social security~~
14 ~~number,~~] State of Hawaii general excise taxpayer identification
15 number, [~~or~~] the federal employer identification number, or only
16 the last four digits of the social security number for persons,
17 corporations, partnerships, or other entities against whom the
18 judgment is rendered. If the judgment debtor has no social

1 security number, State of Hawaii general excise taxpayer
2 identification number, or federal employer identification
3 number, or if that information is not in the possession of the
4 party seeking registration of the judgment, the judgment shall
5 be accompanied by a certificate that provides that the
6 information does not exist or is not in the possession of the
7 party seeking registration of the judgment. Failure to disclose
8 or disclosure of an incorrect social security number, State of
9 Hawaii general excise taxpayer identification number, or federal
10 employer identification number shall not in any way adversely
11 affect or impair the lien created upon recording of the
12 judgment. This section does not apply to attachments, levies of
13 execution, or to proceedings for the probate of wills, or for
14 administration in a probate court; provided that in case notice
15 of the pendency of the action has been duly registered it is
16 sufficient to register the judgment in the action within sixty
17 days after the rendition thereof.

18 As used in this chapter "judgment" includes an order or
19 decree having the effect of a judgment.

20 Notice of the pendency of an action in a United States
21 District Court, as well as a court of the State of Hawaii, may
22 be recorded."

1 SECTION 2. Section 502-33, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§502-33 Identification of reference to registration of
4 original. The registrar shall not record any instrument
5 requiring a reference to a prior recorded instrument, unless the
6 same contains a reference to the book and page or document
7 number of the registration of the original recorded instrument
8 or a statement that the original instrument is unrecorded, as
9 the case may be. Except as otherwise provided, every judgment
10 shall contain or have endorsed on it the [~~social security~~
11 ~~number,~~] State of Hawaii general excise taxpayer identification
12 number, [~~or~~] the federal employer identification number, or only
13 the last four digits of the social security number for persons,
14 corporations, partnerships, or other entities against whom the
15 judgment is rendered. If the judgment debtor has no social
16 security number, State of Hawaii general excise taxpayer
17 identification number, or federal employer identification
18 number, or if that information is not in the possession of the
19 party seeking registration of the judgment, the judgment shall
20 be accompanied by a certificate that provides that the
21 information does not exist or is not in the possession of the
22 party seeking registration of the judgment. Failure to disclose

1 or disclosure of an incorrect social security number, State of
2 Hawaii general excise taxpayer identification number, or federal
3 employer identification number shall not in any way adversely
4 affect or impair the lien created upon registration of the
5 judgment. No amendment, continuation statement, termination
6 statement, statement of assignment, or statement of release
7 relating to security interests in goods which are or are to
8 become fixtures shall be filed unless it complies with the
9 requirements of part 5 of Article 9 of the Uniform Commercial
10 Code. This section does not apply to any document mentioned
11 herein executed prior to April 13, 1915."

12 SECTION 3. Section 504-1, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§504-1 Registration of federal judgments.** Judgments of
15 United States courts may be registered, recorded, docketed, and
16 indexed in the bureau of conveyances or with the assistant
17 registrar of the land court in the same manner as judgments of
18 the courts of the State. Except as otherwise provided, every
19 judgment shall contain or have endorsed on it the [~~social~~
20 ~~security number,~~] State of Hawaii general excise taxpayer
21 identification number, [~~or~~] the federal employer identification
22 number, or only the last four digits of the social security

1 number for persons, corporations, partnerships, or other
2 entities against whom the judgment is rendered. If the judgment
3 debtor has no social security number, State of Hawaii general
4 excise taxpayer identification number, or federal employer
5 identification number, or if that information is not in the
6 possession of the party seeking the registration, recordation,
7 docketing, or indexing of the judgment, the judgment shall be
8 accompanied by a certificate that provides that the information
9 does not exist or is not in the possession of the party seeking
10 registration, recordation, docketing, or indexing of the
11 judgment. Failure to disclose or disclosure of an incorrect
12 social security number, State of Hawaii general excise taxpayer
13 identification number, or federal employer identification number
14 shall not in any way adversely affect or impair the lien created
15 upon the registration, recordation, docketing, or indexing of
16 the judgment."

17 SECTION 4. Section 636-3, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§636-3 Judgment, orders, decrees; lien when.** Any money
20 judgment, order, or decree of a state court or the United States
21 District Court for the District of Hawaii shall be a lien upon
22 real property when a copy thereof, certified as correct by a

1 clerk of the court where it is entered, is recorded in the
2 bureau of conveyances. No such lien shall continue beyond the
3 length of time the underlying judgment, order, or decree is in
4 force. Except as otherwise provided, every judgment shall
5 contain or have endorsed on it [~~the social security number,~~] the
6 Hawaii tax identification number, [~~or~~] the federal employer
7 identification number, or only the last four digits of the
8 social security number for persons, corporations, partnerships,
9 or other entities against whom the judgment, order, or decree is
10 rendered. If the debtor has no social security number, Hawaii
11 tax identification number, or federal employer identification
12 number, or if that information is not in the possession of the
13 party seeking registration of the judgment, order, or decree,
14 the judgment, order, or decree shall be accompanied by a
15 certificate that provides that the information does not exist or
16 is not in the possession of the party seeking recordation of the
17 judgment. Failure to disclose or disclosure of an incorrect
18 social security number, Hawaii tax identification number, or
19 federal employer identification number shall not in any way
20 adversely affect or impair the lien created upon recordation of
21 the judgment, order, or decree. When any judgment, order, or
22 decree is fully paid, the creditor or the creditor's attorney of

1 record in the action shall, at the expense of the debtor,
2 execute, acknowledge, and deliver to the debtor a satisfaction
3 thereof, which may be recorded in the bureau. Every
4 satisfaction or assignment of judgment, order, or decree shall
5 contain a reference to the book and page or document number of
6 the registration of the original judgment. The recording fees
7 for a judgment, order, or decree and for each assignment or
8 satisfaction of judgment, order, or decree shall be as provided
9 by section 502-25.

10 In the case of registered land, section 501-102 and
11 sections 501-241 to 501-248 shall govern."

12 SECTION 5. This Act shall not be applied to any judgments,
13 orders, or decrees existing and filed or recorded in the bureau
14 of conveyances or land court as of the effective date of this
15 Act.

16 SECTION 6. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY: _____

~~_____~~
BY REQUEST

21

Report Title:

Social Security Number

Description:

Stipulates that only the last four digits of an individual's social security number shall be listed on judgments, orders, or decrees endorsed and recorded in the Bureau of Conveyances or Land Court.

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO SOCIAL SECURITY NUMBER.

PURPOSE: To clarify that when a judgment, order, or decree is to be endorsed and recorded in the Bureau of Conveyances (Bureau) or Land Court, by way of a social security number, only the last four digits of the social security number shall be used for persons against whom a judgment, order, or decree is rendered.

MEANS: Amend sections 501-151, 502-33, 504-1, and 636-3, Hawaii Revised Statutes.

JUSTIFICATION: In 2005, the Hawaii Anti-Phishing Task Force (Task Force) was established in the Department of the Attorney General to develop state policy on how best to prevent further occurrences of phishing and other forms of electronic commerce-based crimes in the State. By reviewing Hawaii's and other jurisdictions' activities, policies, directives, and laws relating to the prevention, monitoring, and enforcement of electronic commerce-based crimes, the Task Force determined that identity theft was a more pervasive and serious problem than was previously recognized in the State.

One area of particular concern to the Task Force was the number of Hawaii laws that require individuals to provide nonpublic personal and financial information that subsequently becomes embedded in publicly accessible records. The Task Force concluded that the best way to prevent exploitation of personal and financial information belonging to Hawaii residents was to provide greater protection for such information under Hawaii's public law records and identity theft prevention laws.

The Task Force identified two categories of public records that are potentially vulnerable to misuse, family court actions and judgments affecting title to land.

Current statutes require that each judgment, order, or decree of a state court or United States District Court should contain or have endorsed on it, the social security number, the Hawaii Tax Identification Number, or the Federal Employer Identification Number for persons, corporations, partnerships, or other entities against whom the judgment, order or decree is rendered, before such instrument may be recorded in the Bureau or Land Court. The intent of this disclosure is to identify the debtor in instances where similar names are involved. This disclosure has assisted individuals whose credit report reflects liens that are recorded under a similar name. Individuals have been able to amend and correct their reports by submitting an affidavit reflecting information that supports the discrepancy.

Although inspection of public records, including judgments, orders and decrees, is a public right and policy, there is nonetheless an obligation to protect an individual's private information. This bill would prevent access to an individual's full social security number on a judgment, order, or decree by requiring that only the last four digits of the social security number be used when the document is filed or recorded in the Bureau or Land Court.

Impact on the public: Lessens the likelihood of identity theft for individuals having to provide their social security number on a judgment, order, or decree.

Impact on the department and other agencies:
None.

GENERAL FUND:

None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: LNR 111.

OTHER AFFECTED
AGENCIES: Judiciary/Land Court.

EFFECTIVE DATE: Upon approval.