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Panel on Administration of Justice and Legal Services and Panel on Development

Proposal for establishment of a subcommittee to monitor the Administration's work on the preparation of amendments to the Land Titles Ordinance

Purpose

This paper seeks members' views on the proposal for the establishment of a subcommittee to monitor the Administration's work on the preparation of amendments to the Land Titles Ordinance (Cap. 585) (LTO), which is conducted with the objective of ensuring efficient operation of the new land title registration system upon commencement of the Ordinance.

Background

2. Before LTO was enacted in July 2004, Members requested and the Administration agreed, inter alia, to carry out a comprehensive review of LTO and report back to the Legislative Council (LegCo) before proposing a commencement date. In May 2007, the Administration reported to the then Panel on Planning, Lands and Works that --

- (a) the review had found that substantial amendments to LTO were needed to ensure efficient operation of the new system;
- (b) an amendment bill would be prepared and submitted to LegCo before the title registration system was commenced; and
- (c) the opportunity would be taken in preparing the amendment bill to address concerns previously raised about the language and structure of LTO.

3. At the meeting of the Panel on Development on 19 December 2008, the Administration reported on the progress of the preparation of amendments to

LTO. According to the Administration, there remain four substantial matters to be finalized before the amendment bill is ready for introduction to LegCo. These matters are --

- (a) the relationship between LTO and other legislation;
- (b) arrangements for updating land boundaries;
- (c) modification to the provisions on rectification (how the land title register is to be put right if found to be in error) and indemnity (how an innocent party who has relied on the land title register and suffers loss due to an error or fraud is to be compensated); and
- (d) modification to the conversion mechanism (the method that will be used to bring existing land and property to which the Land Registration Ordinance (Cap. 128) applies over to the land title register under LTO).

4. The Administration also advised that it would shortly launch a three-month consultation exercise to solicit public views as well as continue discussions with major stakeholders on the conversion mechanism and rectification rules. In parallel, the Land Registry would work to finalize amendments to clarify the relationship between LTO and other legislation and complete other proposed amendments. The Administration did not anticipate being able to introduce the relevant bill before the end of 2009, and undertook to make a further progress report to LegCo in mid-2009.

5. During the Panel discussion on 19 December 2008, members agreed that as the Administration's work on the preparation of amendments to LTO involved important and complicated issues, consideration should be given to establishing a subcommittee under the relevant Panel(s) or the House Committee so that LegCo could monitor the work in a more focused manner and provide input in the bill drafting process.

Establishment of a joint subcommittee under the Panel on Administration of Justice and Legal Services and the Panel on Development

6. Under Rule 77(9A) of the Rules of Procedure and House Rule 22(t), two or more Panels may, if they consider appropriate, appoint joint subcommittees to study any matter of common interest to the relevant Panels and to report to the Panels. As issues relating to the land registration system in Hong Kong, the subject matter that LTO concerns, straddle the policy areas of lands and legal services which are within the purviews of the Panel on Administration of Justice and Legal Services (AJLS Panel) and the Panel on Development, a joint subcommittee may be formed under the two Panels to monitor the Administration's work on the preparation of amendments to LTO.

Establishment of a subcommittee under the House Committee

7. Under Rule 75(12) of the Rules of Procedures and House Rule 20(j)(ii), the House Committee may appoint a subcommittee to assist the Committee's consideration of an issue of public concern which falls outside the purview of Panels or any other matter relating to the business of the Council.

8. There are past cases (**Appendix**) of setting up a subcommittee under the House Committee to study a draft bill and/or legislative proposal(s) prior to the formal introduction of the bill concerned. The main considerations for setting up subcommittees on previous occasions were as follows --

- (a) in anticipation of the tight timeframe allowed for the scrutiny of the bill by the Bill Committee, establishment of a subcommittee to study the relevant draft bill or legislative proposal(s) would allow more time for the exchange of views between Members and the Administration, as well as for soliciting views from interested parties; and
- (b) Members' input could be incorporated into the draft legislation.

Advice sought

- 9. Members are invited to give views on the following options --
 - (a) whether a joint subcommittee should be appointed under the AJLS Panel and the Panel on Development for monitoring the Administration's work on the preparation of amendments to LTO; or
 - (b) whether a subcommittee should be set up under the House Committee for the monitoring work.

10. The terms of reference of the joint subcommittee under the Panels or the subcommittee under the House Committee shall be decided by the Panels or House Committee, and a proposal will be prepared in this regard.

Council Business Division 1 Legislative Council Secretariat 16 January 2009

Past cases of setting up a subcommittee under the House Committee to study a draft bill and/or relevant proposal(s) prior to formal introduction of the bill concerned

Bills	Remarks
Human Organ Transplant (Amendment) Bill 1999	On 20 November 1998, Hon Michael HO suggested to the House Committee that a subcommittee under the House Committee be formed in advance to study the amendment bill to be introduced to the Human Organ Transplant Ordinance by the Administration and related matters. The House Committee agreed to form a subcommittee.
Securities and Futures Bill	On 9 July 1997, in reporting to the House Committee, the Panel on Financial Affairs suggested that a subcommittee be set up under the House Committee to study the major reform proposals to be included in the Bill prior to its introduction into the Council. The House Committee agreed to form a subcommittee, and that the subcommittee should become the Bills Committee to study the Bill upon its introduction into the Council.
Copyright (Suspension of Amendments) Bill 2001	On 20 April 2001, the Chairman of the Panel on Commerce and Industry submitted an oral report regarding the draft Copyright (Suspension of Amendments) Bill 2001 to the House Committee, and suggested that a subcommittee should be set up under the House Committee to enable Members to immediately commence scrutiny of the draft Bill. The House Committee agreed to form a subcommittee, and that upon the formal introduction of the Bill into the Legislative Council, a Bills Committee should be formed to take over the work of the subcommittee.