

SPEC. COM. REP. NO.

5

Honolulu, Hawaii

MAY 15 2008

RE: S.C.R. No. 226

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam and Sir:

Your Joint Senate-House Investigative Committee on the Bureau of Conveyances, to which was referred S.C.R. No. 226 entitled:

ESTABLISHING A JOINT SENATE-HOUSE INVESTIGATIVE COMMITTEE TO INVESTIGATE THE SECURITY OF RECORDED DOCUMENTS, PRIVATE COMPUTER ACCESS AND TAMPERING OF SUCH DOCUMENTS, AND THE OPERATIONS AND MANAGEMENT OF THE BUREAU OF CONVEYANCES,

begs leave to report as follows:

The purpose of the Joint Senate House Investigative Committee was to address the concerns regarding the Bureau of Conveyances by investigating the management and operations of the Bureau of Conveyances and report the Committee's findings and recommendations to the Legislature.

Your Committee notes that after six months of hearings and intense investigative work, your Committee uncovered several and sometimes troubling findings relating to the voluminous and escalating problems at the Bureau of Conveyances. In the course of its discussion and assessment of the information and testimony it received, your Committee concluded that there existed three prevailing and interlocking conclusions amongst the Committee's findings. These conclusions are:



- (1) Severe mismanagement of the employees and operations of the Bureau of Conveyances that hampers effective and efficient property recordings;
- (2) There is a lack of fiscal management and accountability at the Bureau of Conveyances that has led to a loss of \$226,000 in revenue for the State; and
- (3) The employee and operational mismanagement and the lack of fiscal accountability results in the operations of the Bureau of Conveyances to be vulnerable to abuse.

Your Committee notes that it faced a number of obstacles, including a number of unforeseeable delays, which prevented it from obtaining full access to records and documents and hampered its efforts in conducting an in-depth investigation on certain matters. Despite these obstacles, your Committee was able to review a number of matters relating to the Bureau of Conveyances in detail and took its task seriously by conducting a fair and balanced investigation with the materials and information received and submitted.

Your Committee recommends the following:

- (1) The Department of Land and Natural Resources assemble an Advisory Council to assist in developing and implementing a comprehensive plan to assist the Bureau in becoming a more efficient, effective, and accountable operation, and develop strategic initiatives for the Bureau; provided that:
 - (A) In preparing the plan and initiatives, the Advisory Council shall consult with appropriate entities, including Bureau stakeholders, to aid in developing and implementing the plan;
 - (B) The Advisory Council shall also accept the full participation and consultation from Bureau employees, management, and the Department; and
 - (C) The Department and the Advisory Council place primary emphasis on addressing the Bureau's most pressing operational, managerial and functional needs, as identified by your Committee and those stakeholders and interested parties who



participated in this process of review and investigation; and

- (2) In addition to and in conjunction with the efforts of the Department and the Advisory Council, the Legislature, through the Legislative Reference Bureau, shall investigate and develop feasibility and implementation models regarding:
- (A) Combining the Land Court and Regular System functions of the Bureau of Conveyances into a single unified system of recordation;
 - (B) Analyzing the advisability of reassigning the Bureau of Conveyances from its current position in the Department of Land and Natural Resources to another department within the executive or judicial branches of the state government; and
 - (C) Determining the considerations attendant to privatizing the functions of the Bureau of Conveyances.


Your Committee presents its findings and recommendations in the attached report.

Respectfully submitted on behalf of the members of the Joint Senate-House Investigative Committee on the Bureau of Conveyances,


MEMBERS OF THE HOUSE



 JOSEPH M. SOUKI, Co-Chair




 SHARON E. HAR, Member

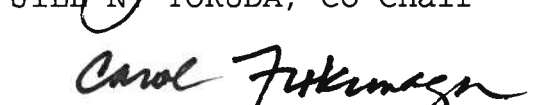


 KARL RHOADS, Member

MEMBERS OF THE SENATE



 JILL N. TOKUDA, Co-Chair



 CAROL FUKUNAGA, Member



 DAVID Y. IGE, Member





JAMES KUNANE TOKIOKA, Member



CYNTHIA THIELEN, Member



RUSSELL S. KOKUBUN, Member



FRED HEMMINGS, Member I.D.N.C.



Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Joint Senate-House Investigative Committee
On the Bureau of Conveyances

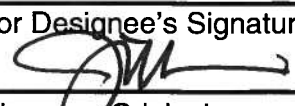
The Committee is considering the issuance of a subpoena.
If so, then the subpoena shall be issued to: _____

The Committee is considering the issuance of a subpoena duces tecum.
If so, then the subpoena duces tecum shall be issued to: _____

The Committee is considering Final Report
(If considering convening in executive session, such action requires a 2/3 majority vote to do so.)

Members (Senate)	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill (Co-Chair)	✓			
FUKUNAGA, Carol	✓			
IGE, David Y.	✓			
KOKUBUN, Russell S.	✓			
GABBARD, Mike <u>Hemmings</u>				✓
Members (House)	Aye	Aye (WR)	Nay	Excused
SOUKI, Joseph M. (Co-Chair)	✓			
HAR, Sharon E.	✓			
RHOADS, Karl		✓		
TOKIOKA, James Kunane	✓			
THIELEN, Cynthia		✓		
TOTAL	<u>8</u>	<u>2</u>		<u>1</u>

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:  Date: 4/20/08

Distribution: Original File with Committee Yellow Clerk's Office Pink File with document (e.g., subpoena)