
A BILL FOR AN ACT

RELATING TO RECORDATION TRANSACTION FEES.

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

1 SECTION 1. Act 120, Session Laws of Hawaii 2009, stemmed
2 from the result of findings by the joint legislative
3 investigative committee established pursuant to Senate
4 Concurrent Resolution No. 226, adopted during the regular
5 session of 2007, which identified serious shortcomings relating
6 to the bureau of conveyances.

7 Section 16 of Act 120, Session Laws of Hawaii 2009,
8 directed the department of land and natural resources to assess
9 a \$5 transaction fee to be charged for each recording related to
10 land deregistered from the land court in the bureau of
11 conveyances and the office of the assistant registrar of the
12 land court to support purchases of hardware, system design, and
13 staff training related to automation of the bureau of
14 conveyances.

15 Section 21 of Act 120, Session Laws of Hawaii 2009,
16 specified that section 16 of Act 120, Session Laws of Hawaii
17 2009, will be repealed on the effective date of administrative



1 rules adopted by the department of land and natural resources
2 that address the establishment of a transaction fee for each
3 recording in the bureau of conveyances and the office of the
4 assistant registrar of the land court.

5 The purpose of this Act is to:

6 (1) Expand the application of the transaction fee to
7 include all services rendered by the bureau and expand
8 the uses of the transaction fee, authorized under Act
9 120, Session Laws of Hawaii 2009, to include purchases
10 of software, project management and implementation,
11 staffing, workflow improvements, and services related
12 to the management, archiving, preservation, and
13 accessibility of records at the bureau of conveyances
14 and the office of the assistant registrar of the land
15 court; and

16 (2) Clarify that the transaction fee established by this
17 Act shall be repealed on the effective date of
18 administrative rules adopted by the department of land
19 and natural resources that include the establishment
20 of a transaction fee for each recording in the bureau
21 of conveyances and in the office of the assistant



1 registrar of the land court or on July 1, 2022,
2 whichever occurs first.

3 SECTION 2. Section 502-8, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) All moneys in excess of \$500,000 remaining on balance
6 in the bureau of conveyances special fund on June 30 of each
7 year shall lapse to the credit of the state general fund;
8 provided that any balance of funds collected pursuant to section
9 16 of Act 120, Session Laws of Hawaii 2009, as amended by
10 section 3 of Act , Session Laws of Hawaii 2020, shall not
11 lapse to the credit of the state general fund. On July 1 of
12 each year, the director of finance is authorized to transfer any
13 excess funds in the bureau of conveyances special fund to the
14 state general fund."

15 SECTION 3. Act 120, Session Laws of Hawaii 2009, as
16 amended by Act 119, Session Laws of Hawaii 2013, is amended by
17 amending section 16 to read as follows:

18 "SECTION 16. As of July 1, 2009, the department of land
19 and natural resources shall assess a transaction fee of \$5 to be
20 charged for each recording in the bureau of conveyances and in
21 the office of the assistant registrar of the land court for



1 services rendered by the bureau of conveyances pursuant to [~~part~~
2 ~~II of~~] chapter 501 and chapter 502, Hawaii Revised Statutes.
3 The transaction fees collected shall be deposited to the credit
4 of the bureau of conveyances special fund established under
5 section 502-8, Hawaii Revised Statutes, and shall be used [~~to~~
6 ~~support~~] for purchases of hardware[-] and software, system
7 design, project management and implementation, staffing and
8 staff training, workflow improvements, and services related to
9 [~~automation of~~] the management, archiving, preservation, and
10 accessibility of records at the bureau of conveyances[-] and in
11 the office of the assistant registrar of the land court."

12 SECTION 4. Act 120, Session Laws of Hawaii 2009, as
13 amended by Act 119, Session Laws of Hawaii 2013, section 11, is
14 amended by amending section 21 to read as follows:

15 "SECTION 21. This Act shall take effect on July 1, 2009;
16 provided that section 2 of this Act shall take effect on July 1,
17 2011; provided further that section 16 of this Act shall take
18 effect on July 1, 2009, and shall be repealed on the effective
19 date of administrative rules adopted by the department of land
20 and natural resources that [~~address~~] include the establishment
21 of a transaction [fees] fee for each recording in the bureau of



1 conveyances and in the office of the assistant registrar of the
2 land court [7] or on July 1, 2022, whichever occurs first;
3 provided further that section 17 of this Act shall take effect
4 on January 1, 2012; and provided further that section 18 of this
5 Act shall take effect upon its approval and shall be repealed on
6 January 31, 2010."

7 SECTION 5. The revisor of statutes shall insert the number
8 of this Act when referencing the Act identified in section 2 of
9 this Act.

10 SECTION 6. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 7. This Act shall take effect on July 1, 2050.



H.B. NO. ⁷⁷⁷ H.D. 2

Report Title:

Transaction Fee; Bureau of Conveyances; Land Court

Description:

Expands the uses and application of the transaction fee for filings in the Bureau of Conveyances authorized under Act 120, Session Laws of Hawaii 2009. Applies fee to all transactions in the Bureau and Land Court. Repeals the transaction fee upon adoption of rules by DLNR or July 1, 2022. Effective 7/1/2050. (HD2)

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