
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 findings by the joint legislative investigative committee
3 established pursuant to Senate Concurrent Resolution No. 226,
4 adopted during the regular session of 2007, which identified
5 serious shortcomings relating to the bureau of conveyances.

6 Section 16 of Act 120, Session Laws of Hawaii 2009,
7 directed the department of land and natural resources to assess
8 a \$5 transaction fee, to be charged for each recording in the
9 bureau of conveyances and in the office of the assistant
10 registrar of the land court for services rendered by the bureau
11 of conveyances in deregistering land. Act 120 further specified
12 that the collected fees be used to support purchases of
13 hardware, system design, and staff training related to
14 automation of the bureau of 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17 2009, shall be repealed on the effective date of administrative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 transaction fees for each
3 recording in the bureau of conveyances and in 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 of
8 conveyances and expand the uses of the transaction
9 fee, authorized under Act 120, Session Laws of Hawaii
10 2009, to include purchases of software, project
11 management and implementation, staffing, workflow
12 improvements, and services related to the management,
13 archiving, preservation, and accessibility of records
14 at the bureau of conveyances and the office of the
15 assistant registrar of the land 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17 Act shall be repealed on the effective date of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, 2023,
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, section
16 16, is amended to read as follows:

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



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

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

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



1 land court[+], or on July 1, 2023, whichever occurs first;
2 provided further that section 17 of this Act shall take effect
3 on January 1, 2012; and provided further that section 18 of this
4 Act shall take effect upon its approval and shall be repealed on
5 January 31, 2010."

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Transaction Fee; Bureau of Conveyances; Land Court

Description:

Expands the uses of the transaction fee for recordings in the bureau of conveyances and land court authorized under Act 120, SLH 2009. Applies the fee to all services rendered by the bureau pursuant to chapters 501 and 502, HRS. Repeals the transaction fee upon the earlier of the effective date of adoption of rules by the Department of Land and Natural Resources or 7/1/2023. Effective 7/1/2050. (SD1)

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