A BILL FOR AN ACT

RELATING TO RECORDATION TRANSACTION FEES.

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

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

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

Section 21 of Act 120, Session Laws of Hawaii 2009, stipulated that Section 16 of Act 120, Session Laws of Hawaii 2009, will be repealed on the effective date of administrative
rules adopted by the department of land and natural resources
that address the establishment of a transaction fee for each
recording in the bureau of conveyances and the office of the
assistant registrar of the land court.

The purpose of this Act is to:

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

(2) Clarify that the transaction fee established by this
Act shall be repealed on the effective date of
administrative rules adopted by the department of land
and natural resources that include the establishment
of a transaction fee for each recording in the bureau
of conveyances and in the office of the assistant
section 2. Section 502-8, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) All moneys in excess of $500,000 remaining on balance in the bureau of conveyances special fund on June 30 of each year shall lapse to the credit of the state general fund; provided that any balance of funds collected pursuant to section 16 of Act 120, Session Laws of Hawaii 2009, as amended by section 3 of Act , Session Laws of Hawaii 2019, shall not lapse to the credit of the state general fund. On July 1 of each year, the director of finance is authorized to transfer any excess funds in the bureau of conveyances special fund to the state general fund."

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

"SECTION 16. As of July 1, 2009, the department of land and natural resources shall assess a transaction fee of $5 to be charged for each recording in the bureau of conveyances and in the office of the assistant registrar of the land court for services rendered by the bureau of conveyances pursuant to [part...
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The transaction fees collected shall be deposited to the credit
of the bureau of conveyances special fund established under
section 502-8, Hawaii Revised Statutes, and shall be used [to
support] for purchases of hardware and software, system
design, [and] project management and implementation, staffing
and staff training, workflow improvements, and services related
to [automation of] the management, archiving, preservation, and
accessibility of records at the bureau of conveyances and in
the office of the assistant registrar of the land court."

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

"SECTION 21. This Act shall take effect on July 1, 2009;
provided that section 2 of this Act shall take effect on July 1,
2011; provided further that section 16 of this Act shall take
effect on July 1, 2009, and shall be repealed on the effective
date of administrative rules adopted by the department of land
and natural resources that [address] include the establishment
of a transaction [fees] fee for each recording in the bureau of
conveyances and in the office of the assistant registrar of the
land court[,] or on July 1, 2022, whichever occurs first;
provided further that section 17 of this Act shall take effect
on January 1, 2012; and provided further that section 18 of this
Act shall take effect upon its approval and shall be repealed on
January 31, 2010."

SECTION 5. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.
SECTION 6. This Act shall take effect on July 1, 2019.

INTRODUCED BY: 

JAN 22 2019
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 and Land Court. Clarifies that the transaction fee shall be repealed on the effective date of the administrative rules adopted by the Department of Land and Natural Resources that include the establishment of a transaction fee or on July 1, 2022, whichever occurs first.

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