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GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
WAYS AND MEANS**

**Thursday, February 23, 2017
1:30 P.M.
State Capitol, Conference Room 211**

**In consideration of
SENATE BILL 987
RELATING TO RECORDATION TRANSACTION FEES**

Senate Bill 987 proposes to amend Act 120, Session Law of 2009 (Act 120), to: 1) apply the \$5 transaction fee now being collected on each recording in the Bureau of Conveyances (Bureau) to include collection on each filing in the Land Court; 2) expanding the uses of this transaction fee for records management improvements; and 3) clarifying the repeal date. **The Department of Land and Natural Resources (Department) strongly supports this Administration measure.**

Act 120 intended to provide the necessary funding to correct serious shortcomings at the Bureau identified by the Joint Legislative Investigative committee under Senate Concurrent Resolution No. 226 (2007). To date, as a result of the Act, the Bureau has significantly improved the automation and integrity of the recording process, establishing web and digital access to parts of the Bureau's database and records, and created the portal and process for the electronic recording of documents. Future key improvement projects include completing digitizing, protecting and accessibility to the Bureau's records and maps, enhancing the Land Records Management System that processes an estimated 325,000 documents recorded annually, and establishing a critical disaster recovery plan that can continue the Bureau's operation in times of an emergency.

This bill proposes to expand the source and authorized use of these transaction funds to address many of the evolving issues that the Bureau now faces: improving digitization; resolving critical operational shortfalls with the current Land Records Management System; improving workflow processes for both daily and historical records certification; and preserving physical records.

Additionally, this bill proposes to clarify repeal on the earlier to occur of a designated sunset date or the date a transaction fee is established in the Bureau's administrative rules.

Thank you for the opportunity to comment on this measure.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON P.E.
DEPUTY DIRECTOR - WATER

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BOATING AND OCEAN RECREATION
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FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

The Honorable Senator Jill Tokuda, Chair
The Honorable Senator Donvoan Dela Cruz, Vice Chair
Members of the Senate Committee on Ways and Means

Conference Room 211, State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

RE: S.B. 987, Relating to Recordation Transaction Fees

HEARING: Thursday, February 23, 2017, at 1:30 p.m.

Dear Chair Tokuda, Vice Chair Dela Cruz, members of the Senate Committee on Ways and Means,

My name is Diana Allen, Counsel at First American Title Company, Inc.

I am testifying in support of S.B. 987

This bill will allow the Bureau of Conveyances (Bureau) to continue the intended technological, operational and physical improvements started under Act 120. We support the further modernization of Hawaii's recording system and both systems (Land Court and Regular system) having the ability to handle all recordings electronically. This bill would provide funding which would allow for a streamlined the recording system, the preservation of vital records and increased efficiencies for the Bureau and the general public. Additionally, the general public would benefit from simplified, consistent fee structures between the two systems.

Thank you very much for the opportunity to provide testimony in support of this measure.

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