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# 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 in the  
10 bureau of conveyances and the office of assistant registrar of  
11 the land court to support purchases of hardware, system design,  
12 and staff training related to automation of the bureau of  
13 conveyances.

14           Section 21 of Act 120, Session Laws of Hawaii 2009,  
15 stipulated that Section 16 of Act 120, Session Laws of Hawaii  
16 2009, will be repealed on the effective date of administrative  
17 rules adopted by the department of land and natural resources



1 that address the establishment of a transaction fee for each  
2 recording in the bureau of conveyances and the office of  
3 assistant registrar of the land court.

4 The purpose of this Act is to:

- 5 (1) Expand the uses of the transaction fee, authorized  
6 under Act 120, Session Laws of Hawaii 2009, to include  
7 purchases of software, project management and  
8 implementation, workflow improvements, and services  
9 related to the management, archiving, preservation,  
10 and accessibility of records at the bureau of  
11 conveyances and the office of the assistant registrar  
12 of the land court; and
- 13 (2) Clarify that the transaction fee established by this  
14 Act shall be repealed on the effective date of  
15 administrative rules adopted by the department of land  
16 and natural resources that include the establishment  
17 of a transaction fee for each recording in the bureau  
18 of conveyances and in the office of the assistant  
19 registrar of the land court or on July 1, 2022,  
20 whichever occurs first.



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

3 "(c) All moneys in excess of \$500,000 remaining on balance  
4 in the bureau of conveyances special fund on June 30 of each  
5 year shall lapse to the credit of the state general fund;  
6 provided that any balance of funds collected pursuant to section  
7 16 of Act 120, Session Laws of Hawaii 2009, as amended by  
8 section 3 of Act Session Laws of Hawaii 2017, shall not  
9 lapse to the credit of the state general fund. On July 1 of  
10 each year, the director of finance is authorized to transfer any  
11 excess funds in the bureau of conveyances special fund to the  
12 state general fund."

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

15 "SECTION 16. As of July 1, 2009, the department of land  
16 and natural resources shall assess a transaction fee of \$5 to be  
17 charged for each recording in the bureau of conveyances and in  
18 the office of the assistant registrar of the land court for  
19 services rendered by the bureau of conveyances pursuant to ~~part~~  
20 ~~of~~ chapter 501 and chapter 502, Hawaii Revised Statutes.  
21 The transaction fees collected shall be deposited to the credit



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

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

12 "SECTION 21. This Act shall take effect on July 1, 2009;  
13 provided that section 2 of this Act shall take effect on July 1,  
14 2011; provided further that section 16 of this Act [~~shall take~~  
15 ~~effect on July 1, 2009, and~~], as amended by section 3 of Act  
16 Session Laws of Hawaii 2017, shall take effect on July 1, 2017,  
17 and shall be repealed on the effective date of administrative  
18 rules adopted by the department of land and natural resources  
19 that [~~address~~] include the establishment of a transaction [~~fees~~]  
20 fee for each recording in the bureau of conveyances and in the  
21 office of the assistant registrar of the land court[-] or on



1 July 1, 2022, whichever occurs first; provided further that  
2 section 17 of this Act shall take effect on January 1, 2012; and  
3 provided further that section 18 of this Act shall take effect  
4 upon its approval and shall be repealed on January 31, 2010."

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

7 SECTION 6. This Act, upon its approval, shall take effect  
8 on July 1, 2017.



**Report Title:**

Transaction Fee; Bureau of Conveyances; Office of the Assistant Registrar; Land Court

**Description:**

Expands the uses of the transaction fee authorized under Act 120, Session Laws of Hawaii 2009, and clarifies that the transaction fee 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 or on July 1, 2022, whichever occurs first.  
(SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

