



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
FINANCE

Wednesday, February 5, 2020
2:00 PM
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 777, HOUSE DRAFT 1
RELATING TO RECORDATION TRANSACTION FEES

House Bill 777, House Draft 1 proposes to amend Act 120, Session Law of Hawaii 2009 (Act 120), by: 1) Applying the \$5 transaction fee to all recordings performed in the Office of the Assistant Registrar of the Land Court which previously was only applied in the Regular System of the Department of Land and Natural Resources' Bureau of Conveyances (Bureau); 2) Expanding the uses of this transaction fee for records management and operational improvements; and 3) Clarifying the repeal date of the Act. **The Department of Land and Natural Resources (Department) supports this measure and requests the following amendments.**

The Bureau respectfully requests the following amendments be made:

- **SECTION 2, page 3, line 10 change 2019 to 2020**
- **SECTION 4, page 5, line 1 change 2022 to 2023**
- **SECTION 6, page 5, line 8 change 2050 to 2020**

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 most 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 Phase IV and V of our digitization project which include securing and increasing accessibility to the Bureau's records and maps as well as establishing a critical disaster recovery plan that can continue the Bureau's operation in times of an emergency.

This bill proposes to expand the authorized use of these transaction fees to address many of the evolving issues that the Bureau faces such as enhancing technology and digitization, improving workflow processes for both daily and historical records processing and certification, and restoring and preserving physical book records to name a few.

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

Thank you for the opportunity to comment on this measure.

HB-777-HD-1

Submitted on: 2/4/2020 8:20:39 AM

Testimony for FIN on 2/5/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lorrin Hirano	Title Guaranty of Hawaii	Support	No

Comments:

Dear Representative Luke, Representative Cullen, and the Members of the House Committee on Finance:

Thank you for the opportunity to submit testimony in support of House Bill 777.

The Bureau of Conveyances of the State of Hawaii is the central and essential office responsible for recording and indexing all documents relating to real property in the State of Hawaii. The funds generated by this Bill will enable the Bureau to continue the improvements achieved in the last few years to digitize, preserve, and modernize the recordation process. This will result in benefits to the public through efficient recording systems and increased accessibility to the public records.

We respectfully request that your Committee give favorable consideration of House Bill 777 and recommend the passage of the measure. Thank you for the opportunity to present this testimony.

Very truly yours,

Lorrin Hirano

LATE

HB-777-HD-1

Submitted on: 2/4/2020 6:13:24 PM

Testimony for FIN on 2/5/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Chiu	Old Republic Title & Escrow of Hawaii, Ltd.	Support	No

Comments:

This bill will help to generate funds for the Bureau of Conveyances of the State of Hawaii (the "Bureau") in its efforts to continue to improve and modernize its systems and operations. As the state's only recording office, supporting the Bureau's mission to ensure timely, accurate, and accessible records will be beneficial to the public as a whole. We respectfully request your recommendation for passage of this bill.

Thank you for your consideration and for the opportunity to submit testimony.