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# A BILL FOR AN ACT

RELATING TO ADMINISTRATIVE FEES.

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

1           SECTION 1. The legislature finds that a sound policy of  
2 cost recovery and user fees for public services for records  
3 management and conveyance in the State is crucial to ensure  
4 efficient and reliable services to the public. With the unique  
5 and specialized work performed by the bureau of conveyances, and  
6 given its continuing workforce shortages, increasing automation  
7 and operational advancements are needed to support the staff and  
8 continue delivering quality service to the State.

9           The legislature further finds that the establishment of  
10 user fees for document recordation services of the bureau of  
11 conveyances ensures the integrity of records of the regular  
12 system and land court system and sustains services provided by  
13 the bureau of conveyances and office of the assistant registrar  
14 of the land court for records management and delivery, while  
15 avoiding the need to establish additional revenue sources to  
16 fund these vital services.



1           The legislature also finds that there is a fee discrepancy  
2 between the regular system and land court system, even though  
3 the work required to handle recordation services is identical.

4           The purpose of this Act is to support efficient, equitable,  
5 and reliable services for conveyance transactions and records in  
6 the State by, beginning on January 1, 2027:

- 7           (1) Making permanent, rather than repealing upon the  
8                 adoption of relevant administrative rules, the  
9                 department of land and natural resources' authority to  
10                establish a transaction fee for certain services  
11                rendered by the bureau of conveyances for each  
12                recording in the bureau of conveyances and land court;  
13           (2) Amending the authorized uses of moneys in the bureau  
14                of conveyances special fund; and  
15           (3) Repealing provisions that required fees for the use of  
16                microfilms of documents recorded in the bureau of  
17                conveyances to be established by the department of  
18                land and natural resources by rules.

19           SECTION 2. Chapter 501, Hawaii Revised Statutes, is  
20 amended by adding a new section to be appropriately designated  
21 and to read as follows:



1           "§501-       Transaction fee; recordings in the office of the  
2 assistant registrar of the land court; services rendered by the  
3 bureau of conveyances. (a) The department of land and natural  
4 resources shall assess a transaction fee of \$5 for each  
5 recording in the office of the assistant registrar of the land  
6 court for services rendered by the bureau of conveyances under  
7 this chapter.

8           (b) The transaction fees collected pursuant to this  
9 section shall be deposited to the credit of the bureau of  
10 conveyances special fund established under section 502-8 and  
11 shall be used to support purchases of hardware, software, design  
12 and implementation services, staff training, and other related  
13 support services for the improvement of daily operations and  
14 automation and the increased efficiency and productivity of the  
15 bureau of conveyances."

16           SECTION 3. Chapter 502, Hawaii Revised Statutes, is  
17 amended by adding a new section to be appropriately designated  
18 and to read as follows:

19           "§502-       Transaction fee; recordings in the bureau of  
20 conveyances. (a) The department of land and natural resources



1 shall assess a transaction fee of \$5 for each recording in the  
2 bureau of conveyances for services rendered under this chapter.

3 (b) The transaction fees collected pursuant to this  
4 section shall be deposited to the credit of the bureau of  
5 conveyances special fund established under section 502-8 and  
6 shall be used to support purchases of hardware, software, design  
7 and implementation services, staff training, and other related  
8 support services for the improvement of daily operations and  
9 automation and the increased efficiency and productivity of the  
10 bureau of conveyances."

11 SECTION 4. Section 502-8, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§502-8 Bureau of conveyances special fund.** (a) There is  
14 established in the state treasury the bureau of conveyances  
15 special fund, into which shall be deposited the revenues  
16 remitted pursuant to sections 501-23.5 and 502-25[  ];  
17 transaction fees established pursuant to sections 501-     and  
18 502-     ; interest earnings[  ]; grants[  ]; donations[  ]; and  
19 appropriations from the legislature that shall be held separate  
20 and apart from all other moneys, funds, and accounts in the  
21 state treasury.



1 (b) Moneys in the bureau of conveyances special fund shall  
2 be used by the bureau of conveyances for the following purposes:

3 (1) Planning, design, construction, and acquisition of  
4 equipment, furnishings, and software necessary for the  
5 ~~[development]~~ enhancement and periodic replacement of  
6 the recording system described in this chapter and  
7 chapter 501;

8 (2) Operating, maintaining, and improving the recording  
9 system described in this chapter and chapter 501 or  
10 any other purpose deemed necessary by the bureau of  
11 conveyances for the purpose of planning, improving,  
12 developing, operating, maintaining the continuity of  
13 business operations, and maintaining of the recording  
14 ~~[system]~~ office operations described in this chapter  
15 and chapter 501;

16 (3) The secure and accessible digital preservation of all  
17 recorded documents and maps as well as the  
18 professional restoration of a select series of bound  
19 book records of historic and cultural value;



1       ~~[(3)]~~ (4) Permanent and temporary staff positions as well  
2               as the limited use of qualified contractors for the  
3               purposes of this chapter and chapter 501; and  
4       ~~[(4)]~~ (5) Administrative costs for the purposes of this  
5               chapter and chapter 501~~[-]~~;  
6       provided that moneys collected from transaction fees pursuant to  
7       sections 501-        and 502-        for deposit into the special fund  
8       shall be used to support purchases of hardware, software, design  
9       and implementation services, staff training, and other related  
10       support services for the improvement of daily operations and  
11       automation of the bureau of conveyances.

12       (c) All moneys in excess of \$500,000 remaining on balance  
13       in the bureau of conveyances special fund on June 30 of each  
14       year shall lapse to the credit of the state general fund;  
15       provided that any balance of funds collected pursuant to section  
16       16 of Act 120, Session Laws of Hawaii 2009, as amended, until  
17       that section is repealed on December 31, 2026, and pursuant to  
18       sections 501-        and 502-        shall not lapse to the credit of  
19       the state general fund. On July 1 of each year, the director of  
20       finance is authorized to transfer any excess funds in the bureau  
21       of conveyances special fund to the state general fund."



1 SECTION 5. Section 502-27, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "**§502-27 Charges.** [~~(a) Except when otherwise provided,~~  
4 ~~fees for the use of microfilms of documents recorded in the~~  
5 ~~bureau of conveyances for the purpose of making duplicates shall~~  
6 ~~be established by rules adopted by the department of land and~~  
7 ~~natural resources pursuant to chapter 91.~~

8 ~~(b)]~~ Frame charges for duplicating microfilm shall not be  
9 assessed against any agency of the State or counties thereof."

10 SECTION 6. Act 120, Session Laws of Hawaii 2009, as  
11 amended by section 11 of Act 119, Session Laws of Hawaii 2013,  
12 is amended as follows:

13 1. By amending section 16 to read:

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



1 ~~502-8, Hawaii Revised Statutes, and shall be used to support~~  
2 ~~purchases of hardware, system design, and staff training related~~  
3 ~~to automation of the bureau of conveyances.] Repealed."~~

4 2. By amending section 21 to read:

5 "SECTION 21. This Act shall take effect on July 1, 2009;  
6 provided that section 2 of this Act shall take effect on July 1,  
7 2011; provided further that section 16 of this Act shall take  
8 effect on July 1, 2009, and shall be repealed on [~~the effective~~  
9 ~~date of administrative rules adopted by the department of land~~  
10 ~~and natural resources that address the establishment of~~  
11 ~~transaction fees for each recording in the bureau of conveyances~~  
12 ~~and in the office of the assistant registrar of the land court,]~~  
13 December 31, 2026; provided further that section 17 of this Act  
14 shall take effect on January 1, 2012; and provided further that  
15 section 18 of this Act shall take effect upon its approval and  
16 shall be repealed on January 31, 2010."

17 SECTION 7. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.



1 SECTION 8. This Act shall take effect on July 1, 3000,  
2 except that section 6 shall take effect on December 31, 2026.



**Report Title:**

DLNR; Bureau of Conveyances; Land Court; Transaction Fees

**Description:**

Makes permanent, rather than repealing upon the adoption of relevant administrative rules, the Department of Land and Natural Resources' authority to establish a transaction fee for certain services rendered by the Bureau of Conveyances for each recording in the Bureau of Conveyances and Land Court. Amends the authorized uses of moneys in the Bureau of Conveyances Special Fund. Repeals language that required the Bureau of Conveyances' microfilm fees to be established by rules. Effective 7/1/3000. (HD1)

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

