
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 language 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 for the increased efficiency and productivity of
15 the 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 for the increased efficiency and productivity of
10 the 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, transaction
17 fees established pursuant to sections 501- and 502- ,
18 interest earnings, grants, donations, and appropriations from
19 the legislature that shall be held separate and apart from all
20 other moneys, funds, and accounts in the 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;

20 [+3+] (4) Permanent and temporary staff positions as well
21 as the limited use of qualified contractors for the



1 purposes of this chapter and chapter 501; provided
 2 that the use of moneys for the limited use of
 3 qualified contractors shall be for services provided
 4 under a contract entered into no later than
 5 December 31, 2028; and

6 [~~4~~] (5) Administrative costs for the purposes of this
 7 chapter and chapter 501~~(-)~~;

8 provided that moneys collected from transaction fees pursuant to
 9 sections 501- and 502- for deposit into the special fund
 10 shall be used to support purchases of hardware, software, design
 11 and implementation services, staff training, and other related
 12 support services for the improvement of daily operations and
 13 automation of the bureau of conveyances.

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 19 that section is repealed on December 31, 2026, and collected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



1 director of finance is authorized to transfer any excess funds
2 in the bureau of conveyances special fund to the state general
3 fund."

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

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

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

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

16 1. By amending section 16 to read:

17 "SECTION 16. [~~As of July 1, 2009, the department of land~~
18 ~~and natural resources shall assess a transaction fee of \$5 to be~~
19 ~~charged for each recording in the bureau of conveyances and in~~
20 ~~the office of the assistant registrar of the land court for~~
21 ~~services rendered by the bureau of conveyances pursuant to part~~



1 ~~II of chapter 501 and chapter 502, Hawaii Revised Statutes. The~~
2 ~~transaction fees collected shall be deposited to the credit of~~
3 ~~the bureau of conveyances special fund established under section~~
4 ~~502-8, Hawaii Revised Statutes, and shall be used to support~~
5 ~~purchases of hardware, system design, and staff training related~~
6 ~~to automation of the bureau of conveyances.] Repealed."~~

7 2. By amending section 21 to read:

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

20 SECTION 7. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 8. This Act shall take effect on July 1, 2050;
2 provided 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 7/1/2050. (SD1)

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