

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii
Sir:

Your Committee on Water, Land, & Hawaiian Affairs, to which was referred H.B. No. 2040 entitled:

"A BILL FOR AN ACT RELATING TO RECORDATION TRANSACTION FEES,"

begs leave to report as follows:

The purpose of this measure is to:

(1) Expand the application of the transaction fee to include all services rendered by the Bureau of Conveyances;

(2) Expand the uses of the transaction fee authorized under Act 120, Session Laws of Hawaii (SLH) 2009, to include purchases of software, project management and implementation, staffing, workflow improvements, and services related to the management, archiving, preservation, and accessibility of records at the Bureau of Conveyances and the Office of the Assistant Registrar of the Land Court; and

(3) Clarify that the transaction fee shall be repealed on either the effective date of administrative rules adopted by the Department of Land and Natural Resources (DLNR) or July 1, 2023, whichever occurs first.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that Act 120, SLH 2009, directed DLNR to assess a \$5 transaction fee on each recording in the Bureau of Conveyances and the Office of the Assistant Registrar of the Land Court for services rendered by the Bureau of Conveyances in deregistering land, with the money collected to be used to support purchases of hardware, system design, and staff training related to automation of the Bureau of Conveyances. Your Committee further finds that Act 120, SLH 2009, specified the transaction fee would be repealed on the effective date of rules adopted by DLNR that address the establishment of a transaction fee for each recording in the Bureau of Conveyances and the Office of the Assistant Registrar of the Land Court. This measure expands the application of the transaction fee to all services rendered by the Bureau of Conveyances, expands the uses of the fee, and clarifies the date when the transaction fee shall be repealed.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water, Land, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2040, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on
Water, Land, & Hawaiian Affairs,

RYAN I. YAMANE, Chair