
HOUSE CONCURRENT RESOLUTION

URGING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO DEVELOP AND IMPLEMENT A COMPREHENSIVE PLAN TO ASSIST THE BUREAU OF CONVEYANCES IN BECOMING A MORE EFFICIENT, EFFECTIVE, AND ACCOUNTABLE OPERATION, AND DEVELOP STRATEGIC INITIATIVES FOR THE BUREAU.

1 WHEREAS, in light of the published news reports, studies,
2 and Senate hearings regarding the problems at the Bureau of
3 Conveyances, the ongoing investigations by the Department of the
4 Attorney General and the State Ethics Commission, and the lack
5 of any effective solutions being created or implemented at the
6 Bureau of Conveyances, the Legislature adopted Senate Concurrent
7 Resolution No. 226 during the 2007 Regular Session; and
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9 WHEREAS, it was clear to the Legislature that further
10 action was required to address the concerns regarding the
11 personnel, operational, and fiscal management of the Bureau of
12 Conveyances as it serves an important public service as the
13 repository of information relating to the title to land upon
14 which homes and businesses are situated within the State; and
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16 WHEREAS, the Concurrent Resolution established a Joint
17 Senate-House Investigative Committee to investigate the
18 personnel, operational, and fiscal management of the Bureau of
19 Conveyances to ensure that the Bureau of Conveyances serves the
20 public at its most optimal level and required the Committee to
21 submit its findings and recommendations to the Legislature prior
22 to the convening of the 2008 Regular Session; and
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24 WHEREAS, the scope of the Committee's investigation of the
25 Bureau of Conveyances was to complement rather than duplicate,
26 impede, or jeopardize the ongoing investigations conducted by
27 the Department of the Attorney General and the State Ethics
28 Commission, and it was the goal of the Committee to develop
29 methods, and short- and long-term solutions on how the
30 Legislature can assist the Bureau of Conveyances in becoming a



1 more efficient, effective, and accountable operation rather than
2 pinpoint blame for the existing problems at the Bureau; and

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4 WHEREAS, pursuant to Senate Concurrent Resolution No. 226
5 (2007), the objectives of the Committee were to investigate,
6 gather information, assess, and make recommendations concerning:

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8 (1) The management of the employees and administrators of
9 the Bureau of Conveyances;
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11 (2) The fiscal management and accountability of the Bureau
12 of Conveyances;
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14 (3) The rules, procedures, and fee schedules relating to
15 information sharing between the Bureau of Conveyances
16 and private title companies and individual users or
17 subscribers; and
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19 (4) The security of recorded documents, access to these
20 documents from private computers, and the potential
21 for tampering with these documents; and
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23 WHEREAS, during the six months of public hearings and
24 intense investigative work, the Committee uncovered several and
25 sometimes troubling findings relating to the voluminous and
26 escalating problems at the Bureau of Conveyances; and
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28 WHEREAS, the Committee heard testimony and received
29 documents regarding the Bureau's computer system and information
30 sharing service, including the acquisition of the computer
31 system and software; the management of the Bureau's fiscal
32 matters, including contracts and agreements; the Bureau's
33 relationship and business interactions with private title
34 companies or other entities in the title industry; and the
35 personnel and operational management of the Bureau; and
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37 WHEREAS, in the course of its discussion and assessment of
38 the information and testimony it received, the Committee drew
39 the following three prevailing and interlocking conclusions
40 amongst the Committee's findings:

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42 (1) Severe mismanagement of the employees and operations
43 of the Bureau of Conveyances hampers effective and
44 efficient property recordings;



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(2) A lack of fiscal management and accountability at the Bureau of Conveyances has led to a loss of revenue for the State; and

(3) Employee and operational mismanagement and a lack of fiscal accountability causes the operations of the Bureau of Conveyances to be vulnerable to abuse; and

WHEREAS, from a review of the testimony and materials presented to the Committee, and in light of the long standing nature of the problems uncovered, it appears extremely unlikely that the Bureau possesses the will or capability to address these issues without some form of concentrated intervention; and

WHEREAS, as a result, the Committee found it necessary and appropriate to develop and mandate methods and solutions -- short- and long-range -- to assist the Bureau in becoming a more efficient, effective, and accountable operation; and

WHEREAS, in light of its findings, it has become apparent to the Committee that the problems at the Bureau require special action; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, the Senate concurring, that the Department of Land and Natural Resources is strongly urged to develop and implement a comprehensive plan to assist the Bureau in becoming a more efficient, effective, and accountable operation, and develop strategic initiatives for the Bureau; and

BE IT FURTHER RESOLVED that the Department of Land and Natural Resources form an advisory council consisting of the following members:

(1) The Chairperson of the Board of Land and Natural Resources or the Chairperson's designee;

(2) The Registrar of the Bureau of Conveyances or the Registrar's designee;

(3) The Administrative Director of the Judiciary or the Administrative Director's designee;



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- (4) The Executive Director of the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO or the Executive Director's designee;
- (5) The President of the Hawaii Land Title Association or the President's designee;
- (6) The President of the Hawaii Association of Realtors or the President's designee;
- (7) A member representing the financial industry; and
- (8) A member representing the legal community; and

BE IT FURTHER RESOLVED that the advisory committee shall consult and work with various entities to aid in the development and implementation of the comprehensive plan, and work with and accept full participation and consultation from Bureau employees, management, and the Department; and

BE IT FURTHER RESOLVED that the advisory committee in developing a comprehensive plan for the Bureau of Conveyances shall concentrate on improving the various problematic operational issues at the Bureau, including but not limited to:

- (1) Updating the Bureau's Administrative Rules, including establishing standard fee schedules for various Bureau services, and a standard fee waiver policy that includes the amount waived, the recipient of the waiver, and the reason for the waiver to ensure greater accountability of all moneys due to the Bureau;
- (2) Drafting or updating written contracts and operating agreements between the Bureau and outside parties for goods and services, including but not limited to computer system repair and maintenance, software development and installation, information sharing subscriptions, and recording agreements;
- (3) Developing and implementing best practices and methods to provide greater security of the Bureau's information system;

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- (4) Updating and implementing the Bureau's policies and procedures manuals, or creating and implementing policies and procedures for areas where manuals do not exist so that all procedures are performed uniformly;
- (5) Developing and implementing strong human resource management practices, including reviewing and revising employee job descriptions, duties, salary schedules, and performance incentives;
- (6) Developing and implementing best practices for personnel performance evaluations and employee disciplinary procedures to ensure that all employees are meeting or exceeding minimum performance requirements and expectations;
- (7) Developing and managing an effective, transparent, and fair practice for overtime work at the Bureau to ensure an equal distribution of and opportunity for overtime work;
- (8) Actively engaging and consulting with the leadership of the Hawaii Government Employees Association to ensure union representation and consultation on all matters concerning its union members;
- (9) Establishing and implementing standard cash management practices and procedures to efficiently and accurately account for all moneys flowing in and out of the Bureau;
- (10) Developing and implementing appropriate job training to ensure that all employees are able to perform efficiently and effectively within their job title capacity; and
- (11) Addressing staff needs and staff budgetary constraints; and

BE IT FURTHER RESOLVED that the advisory committee in developing strategic initiatives for the Bureau of Conveyances shall concentrate on developing the following initiatives, including but not limited to:

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- (1) Developing an effective, operational, and secure computer information system for document retrieval that will be useful and relied upon by entities in the title industry;
- (2) Considering whether it is still appropriate for the Bureau to remain under the Department of Land and Natural Resources;
- (3) Examining and identifying best practices in dealing with timeshares recorded at the Bureau by reviewing other jurisdictions' practices;
- (4) Examining, identifying, and adopting best practices to improve the operations and employee management of the Bureau, including a system of periodic review and evaluation, and establishing performance indicators, benchmarks, and objectives, to achieve greater accountability and customer satisfaction;
- (5) Reviewing the personnel management at the Bureau and developing improvements and best practices to increase work productivity and employee satisfaction;
- (6) Examining the current recording system at the Bureau, reviewing and exploring other jurisdictions' recording systems, and implementing best practices to improve the Bureau's recording system; and
- (7) Establishing a timeline and assigning responsibilities to implement operational and strategic initiatives at the Bureau; and

35 BE IT FURTHER RESOLVED that the Department of Land and
36 Natural Resources submit a written report to the Legislature of
37 its findings, any progress made, and its achievements regarding
38 operational measures and strategic initiatives to be
39 implemented, including any proposed legislation, no later than
40 twenty days prior to the Regular Session of 2009; and

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42 BE IT FURTHER RESOLVED that certified copies of this
43 Concurrent Resolution be transmitted to the Chairperson the
44 Board of Land and Natural Resources; the Registrar of the Bureau

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1 of Conveyances; the Administrative Director of the Judiciary;
2 the Executive Director of the Hawaii Government Employees
3 Association, AFSCME Local 152, AFL-CIO; the President of the
4 Hawaii Land Title Association; the President of the Hawaii
5 Association of Realtors; the President of the Hawaii Bankers
6 Association; and the President of the Hawaii Bar Association.

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OFFERED BY: *J. M. ...*

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