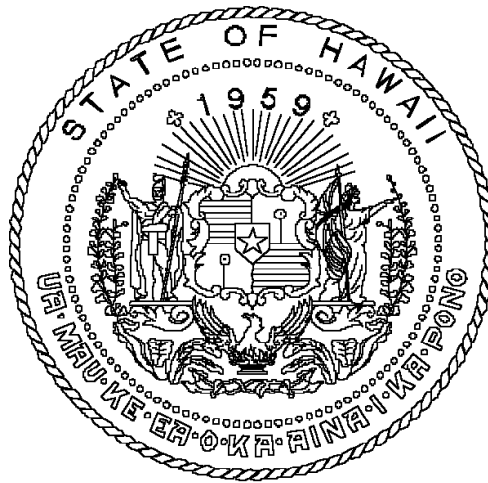


REPORT TO THE THIRTY-THIRD LEGISLATURE
STATE OF HAWAII
REGULAR SESSION OF 2025

**OPERATIONS OF THE
FILING OFFICE FOR FINANCING STATEMENTS
UNDER THE UNIFORM COMMERCIAL CODE,
SECURED TRANSACTIONS (REVISED ARTICLE 9)**



Prepared by the

Department of Land and Natural Resources
State of Hawaii

in response to
Section 490:9-527, Hawaii Revised Statutes

November 2024

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FILING OFFICE FOR FINANCING STATEMENTS
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SECURED TRANSACTIONS (REVISED ARTICLE 9)**

INTRODUCTION

This report is prepared in compliance with Section 490:9-527, Hawaii Revised Statutes, on the operations of the Filing Office under the Uniform Commercial Code (UCC), Secured Transactions (Revised Article 9). The Bureau of Conveyances (Bureau) within the Department of Land and Natural Resources (Department) serves as the State of Hawaii's Filing Office for the purposes of the Revised Article 9.

STATUS

The Bureau has been accepting for filing, UCC instruments pursuant to provisions of the Revised Article 9 effective July 1, 2001. Further revisions took effect on July 1, 2015, and the most recent updates, effective July 1, 2023, specifically address commercial transactions involving emerging technologies such as blockchain, artificial intelligence (AI), and virtual currencies.

The operations for filing offices managing UCC documents differ from state to state. In most other states, the common practice is for the Secretary of State to oversee UCC documents and filings. Hawaii does not have a Secretary of State and since UCC documents need to be recorded, the de facto responsibility falls with the Bureau of Conveyances which is responsible for the recording process for land conveyances statewide. Even with the operational and rule differences between Hawaii and other jurisdictions, there is virtually no impact to the correct and legal processing of UCC's in Hawaii. The Bureau's procedures also ensures that all applicable versions of the UCC forms are accepted for recording, including the updated versions that address the evolving area of cyber assets.

The ultimate objective is to bring Hawaii's procedures and rules in further harmony with all jurisdictions as well as Revised Article 9, 2010 and 2022 versions of the Model Rules promulgated by the International Association of Commercial Administrators. This past year, the Bureau has continued reviewing the extensive Rules, Uniform Acts and Amendments as well as the rules of other jurisdictions so work can be coordinated with the Department of the Attorney General to develop an updated set of Hawaii rules which will cover the latest Revised Article 9 and amendments to the UCC.

With the guidance of the Department of the Attorney General, the Department will draft Revised Article 9 UCC updates for presentation during the same public hearings process for the next set of Bureau rules and fee updates. The Department will also work with its land records system vendor to ensure that the necessary operational changes for compliance with Revised Article 9 are supported.