



GOV. MSG. NO. **778**

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

April 20, 2007

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on April 20, 2007, the following bill was signed into law:

HB1287

A BILL FOR AN ACT RELATING TO UNCLAIMED
PROPERTY.
(ACT 029)

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE

Approved by the Governor
on APR 20 2007

ACT 029

H.B. NO. 1287

A BILL FOR AN ACT

RELATING TO UNCLAIMED PROPERTY.

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

1 SECTION 1. Section 523A-3.5, Hawaii Revised Statutes, is
2 repealed.

3 [~~§523A-3.5 Escheat process.~~ (a) ~~Any property in custody~~
4 ~~of the State pursuant to this chapter at the close of a fiscal~~
5 ~~year ending June 30, shall escheat to the State as follows:~~

6 ~~(1) If the value of the property is greater than \$10,000,~~
7 ~~the property shall escheat six years after the end of~~
8 ~~the fiscal year in which the property was paid or~~
9 ~~delivered to the director;~~

10 ~~(2) If the value of the property is greater than \$5,000~~
11 ~~but less than or equal to \$10,000, the property shall~~
12 ~~escheat five years after the end of the fiscal year in~~
13 ~~which the property was paid or delivered to the~~
14 ~~director;~~

15 ~~(3) If the value of the property is greater than \$1,000~~
16 ~~but less than or equal to \$5,000, the property shall~~
17 ~~escheat four years after the end of the fiscal year in~~

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1 ~~which the property was paid or delivered to the~~
2 ~~director;~~

3 ~~(4) If the value of the property is greater than \$100 but~~
4 ~~less than or equal to \$1,000, the property shall~~
5 ~~escheat three years after the end of the fiscal year~~
6 ~~in which the property was paid or delivered to the~~
7 ~~director; and~~

8 ~~(5) If the value of the property is less than or equal to~~
9 ~~\$100, the property shall escheat two years after the~~
10 ~~end of the fiscal year in which the property was paid~~
11 ~~or delivered to the director;~~

12 ~~provided that the property for which a timely claim has been~~
13 ~~filed with the director pursuant to section 523A-24, or a timely~~
14 ~~action has been filed pursuant to section 523A-26, shall not~~
15 ~~escheat until the disposition of the claim or action.~~

16 ~~(b) The director shall cause notice to be given no later~~
17 ~~than April 1 of the fiscal year ending June 30 in which the~~
18 ~~property shall escheat to the State at least once statewide.~~

19 ~~(c) The notice shall be entitled, "Notice to Declare~~
20 ~~Certain Abandoned Property Escheated to the State of Hawaii" and~~
21 ~~contain:~~

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- 1 ~~(1) A statement that any property presumed abandoned and~~
- 2 ~~paid or delivered to the director that remains~~
- 3 ~~unclaimed as of June 30 of the year the notice is~~
- 4 ~~given and that meets the escheat criteria established~~
- 5 ~~in subsection (a) (1), (2), (3), (4), or (5) shall~~
- 6 ~~escheat to the State on June 30, and all rights,~~
- 7 ~~title, or interest of the owner shall be terminated~~
- 8 ~~and all claims of the owner shall be forever barred;~~
- 9 ~~(2) A statement listing the names of owners of abandoned~~
- 10 ~~property with a value greater than \$5,000 scheduled to~~
- 11 ~~escheat to the State; and~~
- 12 ~~(3) A statement identifying the location where a list of~~
- 13 ~~names and last known addresses, if any, of persons~~
- 14 ~~appearing to be owners of abandoned property subject~~
- 15 ~~to escheat on June 30 of the year the notice is given,~~
- 16 ~~and stating that this list shall be made available as~~
- 17 ~~a government record.~~
- 18 ~~(d) This section shall not apply to sums payable on:~~
- 19 ~~(1) Travelers checks, money orders, and other written~~
- 20 ~~instruments presumed abandoned under section 523A-4;~~
- 21 ~~(2) Checks, drafts, or similar instruments on which a~~
- 22 ~~banking or financial organization is directly liable,~~

