

STAND. COM. REP. NO.

2100

Honolulu, Hawaii

FEB - 9 2010

RE: S.B. No. 2799  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2799 entitled:

"A BILL FOR AN ACT RELATING TO UNIFORM REAL PROPERTY TRANSFER ON DEATH,"

begs leave to report as follows:

The purpose of this measure is to allow an owner of real property to, upon the owner's death, pass the property directly to a beneficiary by means of a transfer on death deed.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation. Testimony with comments on this measure was received from the Judiciary. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure will allow a decedent's beneficiary to avoid a costly and lengthy probate process through the use of a transfer on death deed. Your Committee finds that a property owner who executes a transfer on death deed retains control of the property during the owner's lifetime, including the power to transfer or encumber the property and to revoke the deed. Your Committee further finds that the beneficiary of a transfer on death deed is protected during the owner's lifetime because the deed does not convey any immediate interest in the property to the beneficiary during the owner's lifetime. Therefore, the property is not subject to partition or to seizure by the beneficiary's creditors and the property does

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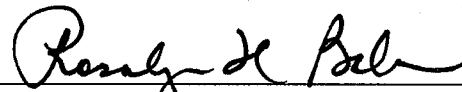


not adversely affect the beneficiary's eligibility for public benefits, including Medicaid. Your Committee finds that transfer on death deeds are a valuable estate planning tool, especially for middle-income individuals whose primary or only asset is real property and who seek a simple means of transferring that asset to an heir without the need for a costly and time-consuming probate process.

Your Committee has amended this measure by making nonsubstantive technical changes to its language for the purposes of clarity and accuracy.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2799, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB 2799</b>	Committee Referral: <b>CPN, J90</b>	Date: <b>02/05/10</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
<b>TOTAL</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes