



TESTIMONY ON SB 2878 SD1  
RELATING TO TRUSTEES

Wednesday, March 10, 2010, 2:00 p.m.  
State Capitol, Conference Room 325

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TO: The Honorable Robert N. Herkes, Chair  
The Honorable Glenn Wakai, Vice Chair  
Members of House Committee on Consumer Protection & Commerce

I am Stafford Kiguchi representing the Trust Division of Bank of Hawaii. The purpose of HB 2878 is to authorize trustees of revocable living trusts to base compensation on the levels allowed for trustees of estates.

Although the bill is well intended, it does not adequately address the issue of corporate trustee compensation. Settlers voluntarily name their corporate trustees based on the complex nature of their assets and the need for comprehensive services. The statutory fee schedule set out by HRS 607-18 was drafted more than 70 years ago, and has been modified in only minor ways since it was enacted.

The Standing Committee on the Uniform Probate Code and Probate Court Practices of the Judiciary is currently in the process of examining compensation along with other matters and preparing recommended revisions to the statute for future submission. We believe this bill is premature and the legislature would be better served by allowing the Judiciary Standing Committee to complete its work and await its recommendations. We respectfully encourage this Committee to hold the bill.

Thank you for the opportunity to testify.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Stafford Kiguchi'.

Stafford Kiguchi  
Senior Vice President  
694-8580