SB2878 Late

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Attorney at Law, A Law Corporation

733 Bishop Street, Suite 2357 Honolulu, Hawaii 96813 Tel: (808) 537-5311 Fax: (808) 531-2254 E-Mail: edwardbybee@aol.com

February 10, 2010

VIA FACSIMILE & HAND DELIVERY:

Senator Brian T. Taniguchi Chair, Senate Committee On Judiciary and Government Operations Hawaii State Capitol, Room 219 415 S. Beretania Street Honolulu, Hawaii 96813 VIA FAX: 586-6461 TOTAL PAGES: 2

Re: S.B. No. 2878

Dear Senator Taniguchi:

The proposed S.B. No. 2878 new language to <u>H.R.S.</u> § 607-18 conflicts with existing Circuit Court orders and policies, and will create excessive trustee fees in trusts where trustees perform minimal services. The current fee system, which allows the Probate Court to determine "reasonable" fees, is fairer and should not be disturbed.

The proposed language in S.B. No. 2878 is unnecessary and imposes a mandatory fee formula which will block Court supervision of trustee fees. The fact is most settlors assume their Trust document provisions stating a "reasonable" fee means reasonableness applies, not a mandatory commission schedule which has no relationship to the services provided. Senator Brian T. Taniguchi Chair, Senate Committee On Judiciary and Government Operations February 10, 2010 Page 2

I suggest S.B. No. 2878 not be approved.

Very truly yours, Trela

Edward J. Bybee

EJB:jmo

c: Senate Judiciary Committee Members: Senator Dwight Y. Takamine, Fax: 586-7339 Senator Robert Bunda, Fax: 586-6091 Senator Mike Gabbard, Fax: 586-6679 Senator Clarence K. Nishihara, Fax: 586-6879 Senator Sam Slom, Fax: 586-8426