

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 2486
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2486 entitled:

"A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY,"

begs leave to report as follows:

The purpose of this measure is to streamline operations and establish a maximum fee structure for unclaimed property locators. Specifically, this measure:

- (1) Requires holders of unclaimed property to pay or deliver all property not held in a safekeeping depository with their November 1 semi-annual report to the Director of Finance;
- (2) Specifies the maximum fee professional unclaimed property locators may charge; and
- (3) Authorizes payments out of the trust funds of the State of any undistributed balances or proceeds that a person is legally entitled to as an heir or devisee of a decedent.

The Department of Budget and Finance testified in support of this measure.

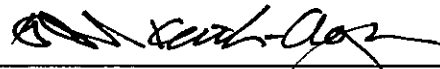


Your Committee has amended this measure by:

- (1) Allowing an owner the right to assert that an agreement is invalid on grounds other than unjust or excessive compensation and allowing the court to award reasonable attorney's fees to an owner who prevails in such an action;
- (2) Specifying that payments of undistributed balances or proceeds that a person is legally entitled to as an heir or devisee of a decedent be paid out of the Unclaimed Property Trust Fund;
- (3) Changing its effective date to January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2486, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2486, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



GILBERT KEITH-AGARAN, Chair



