



TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2808

January 30, 2014

RELATING TO UNCLAIMED PROPERTY

Senate Bill No. 2808 proposes an amendment to Section 523A-25 (d), Hawaii Revised Statutes, to decrease the compensation cap for non-attorney professional locators from twenty-five percent to ten percent of the total value of property being claimed.

The Department of Budget and Finance strongly supports this Administration measure as we believe that the ten percent fee for non-attorney professional locators is reasonable and protects the interests of property owners. The Department does not object to the twenty-five percent cap currently in place for attorneys.

Section 523A-25 (d), Hawaii Revised Statutes, currently sets the compensation cap at twenty-five percent for non-attorney professional locators and attorneys who assist unclaimed property owners with their claims. While we recognize the efforts and expertise of non-attorney professional locators, the non-attorney professional locators do not provide specialized legal assistance to owners to warrant compensation of up to twenty-five percent.

We believe that the ten percent cap for non-professional locators to be fair and reasonable based upon the general services provided. We would also like to point out that prior to the enactment of Act 286, SLH 2013, the statutory compensation cap for non-attorney professional locators was set at ten percent.

Thank you for the opportunity to testify in strong support of Senate Bill No. 2808.