

Honolulu, Hawaii

March 24, 2016

RE: S.B. No. 2619
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2619, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to improve the management and oversight of unclaimed property by:

- (1) Permitting holders of unclaimed property to provide notice to the apparent owner of unclaimed property valued at \$50 or more through electronic mail or telephone, as an alternative to currently required notice by mail; and
- (2) Requiring the holder to include a statement in its report to the Director of Finance that the holder has complied with notice requirements.

The Department of Commerce and Consumer Affairs and the Department of Budget and Finance supported this measure. The State Farm Mutual Automobile Insurance Company and Hawaii Bankers Association opposed this measure.



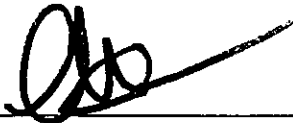
Your Committee has amended this measure by:

- (1) Clarifying that holders are to provide notice to the apparent owner of the unclaimed property valued at \$50 or more through electronic mail, telephone, or any other reasonable method in addition to notice through mail; and
- (2) Changing its effective date to July 1, 2112, to encourage further discussion.

Your Committee notes that there was a concern that the use of mail as a method of contact may be outdated soon, and that a wide array of methods to communicate with unclaimed property owners is used. Your Committee finds that the use of mail coupled with one of these other methods provides the industry with sufficient flexibility while ensuring proper consumer protection.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2619, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2619, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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



ANGUS L.K. McKELVEY, Chair



