

ACT 66

H.B. NO. 2771-74

A Bill for an Act Relating to Uniform Gifts to Minors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 553-1, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 553-1 Definitions. In this chapter, unless the context otherwise requires:

- (1) An “adult” is a person who has attained the age of eighteen years.
- (2) A “bank” is a bank, trust company, national banking association, credit union supervised by the State or the federal government, or building and loan association, and includes any corporation included in the meaning of the terms as defined in chapters 403, 406, and 407.

- (3) A “broker” is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.
- (4) “Court” means any of the circuit courts of the State.
- (5) The “custodial property” includes:
- (A) All securities, life insurance policies, annuity contracts, and money under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this chapter;
 - (B) The income from the custodial property; and
 - (C) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, surrender, or other disposition of such securities, money, life insurance policies, annuity contracts, and income.
- (6) A “custodian” is a person so designated in a manner prescribed in this chapter; the term includes a successor custodian.
- (7) A “financial institution” is a bank, a federal savings and loan association, a savings institution chartered and supervised as a savings and loan or similar institution under federal law or the laws of a state, or a federal credit union or a credit union chartered and supervised under the laws of a state; “insured financial institution” is one, deposits (including a savings, share, certificate, or deposit account) in which are, in whole or in part, insured by the federal deposit insurance corporation or by the federal savings and loan insurance corporation.
- (8) A “guardian” of a minor means the general guardian, guardian, tutor, or curator of his property or estate appointed or qualified by a court of this State or another state.
- (9) An “issuer” is a person who placed or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation, or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.
- (10) A “legal representative” of a person is his executor or the administrator, general guardian, guardian, committee, conservator, tutor, or curator of his property or estate.
- (11) A “life insurance policy or annuity contract” means a life insurance policy or annuity contract issued by an insurance company authorized to do business in this State on the life of a minor to whom a gift of the policy or contract is made in the manner prescribed in this act or on the life of a member of the minor’s family.
- (12) A “member” of a “minor’s family” means any of the minor’s parents, grandparents, brothers, sisters, uncles, and aunts, wheth-

er of the whole blood or the half blood, or by or through legal adoption.

- (13) A "minor" is a person who has not attained the age of eighteen years.
- (14) A "security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, collateral trust certificate, transferable share, voting trust certificate, or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate or deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.
- (15) A "transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation or surrendered securities.
- (16) A "trust company" is a bank authorized to exercise trust powers in the State."

SECTION 2. Section 553-4, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) To the extent that the custodial property is not so expended the custodian shall deliver or pay it over to the minor on his attaining the age of eighteen years or, if the minor dies before attaining the age of eighteen years, he shall thereupon deliver or pay it over to the estate of the minor."

SECTION 3. Section 553-7, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) If a person designated as custodian or as successor custodian by the custodian as provided in subsection (a) is not eligible, dies or becomes legally incapacitated before the minor attains the age of seventeen years and if the minor has a guardian, the guardian of the minor shall be successor custodian. If the minor has no guardian and if no successor custodian who is eligible and has not died or become legally incapacitated has been designated as provided in subsection (a), a donor, his legal representative, the legal representative of the custodian, or an adult member of the minor's family may petition the court for the designation of a successor custodian. If the minor has attained the age of seventeen years, the minor may designate the successor custodian."

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 5. This Act shall take effect upon its approval.

(Approved May 28, 1974.)

*Edited accordingly.