

## ACT 75

H.B. NO. 82

A Bill for an Act Relating to the Revised Uniform Disposition of Unclaimed Property Act.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER  
REVISED UNIFORM DISPOSITION OF  
UNCLAIMED PROPERTY ACT**

**Sec. -1 Definitions and use of terms.** As used in this chapter, unless the context otherwise requires:

- (1) “Banking organization” means any bank, trust company, savings bank, or a private banker engaged in business in this State.
- (2) “Business association” means any corporation, other than a public corporation, joint stock company, business trust, partnership, or any association for business purposes of two or more individuals.
- (3) “Director” means the director of finance.
- (4) “Financial organization” means any savings and loan association, building and loan association, credit union, or investment company, engaged in business in this State.
- (5) “Holder” means any person in possession of property subject to this chapter belonging to another, or who is trustee in case of a trust, or is indebted to another on an obligation subject to this chapter.
- (6) “Life insurance corporation” means any association or corporation transacting within this State the business of insurance on the lives of persons or insurance appertaining thereto, including, but not by way of limitation, endowments and annuities.
- (7) “Owner” means a depositor in case of a deposit; a beneficiary in case of a trust; a creditor, claimant, or payee in case of other choses in action; or any person having a legal or equitable interest in property subject to this chapter, or his legal representative.

- (8) "Person" means any individual, business association, government or political subdivision, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.
- (9) "Utility" means any person who owns or operates within this State, for public use, any plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

**Sec. -2 Property held by banking or financial organizations or by business associations.** The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

- (1) Any demand, savings, or matured time deposit made in this State with a banking organization, together with any interest or dividend thereon, excluding any charges that may lawfully be withheld, unless the owner has, within seven years:
  - (A) Increased or decreased the amount of the deposit, or presented the passbook or other similar evidence of the deposit for the crediting of interest; or
  - (B) Corresponding in writing with the banking organization concerning the deposit; or
  - (C) Otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization.
- (2) Any funds paid in this State toward the purchase of shares or other interest in a financial organization or any deposit made therewith in this State, and any interest or dividends thereon, excluding any charges that may lawfully be withheld, unless the owner has within seven years:
  - (A) Increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or
  - (B) Corresponded in writing with the financial organization concerning the funds or deposit; or
  - (C) Otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization.
- (3) Any sum payable on checks certified in this State or on written instruments issued in this State on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, certificates of deposit, drafts, money orders, and traveler's checks, that with the exception of traveler's checks, has been outstanding for more than seven years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, that has been outstanding for more than fifteen years from the date of its issuance, unless the owner has within seven years, or within fifteen years in the case of traveler's checks, corresponded in writing with the banking or financial organization or business association concerning it, or

otherwise indicated any interest as evidenced by a memorandum on file with the banking or financial organization or business association.

- (4) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this State on which the lease or rental period has expired due to non-payment of rental charges or other reason, or any surplus amounts arising from the sale thereof pursuant to law, that have been unclaimed by the owner for more than seven years from the date on which the lease or rental period expired.

**Sec. -3 Unclaimed funds held by life insurance corporations.** (a) Unclaimed funds, as defined in this section, held and owing by a life insurance corporation shall be presumed abandoned if the last known address, according to the records of the corporation, of the person entitled to the funds is within this State. If a person other than the insured or annuitant is entitled to the funds and no address of such person is known to the corporation or if it is not definite and certain from the records of the corporation what person is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the corporation.

(b) "Unclaimed funds", as used in this section, means all moneys held and owing by any life insurance corporation unclaimed and unpaid for more than seven years after the moneys became due and payable as established from the records of the corporation under any life or endowment insurance policy or annuity contract which has matured or terminated. A life insurance policy not matured by actual proof of the death of the insured is deemed to be matured and the proceeds thereof are deemed to be due and payable if such policy was in force when the insured attained the limiting age under the mortality table on which the reserve is based, unless the person appearing entitled thereto has within the preceding seven years, (1) assigned, readjusted, or paid premiums on the policy, or subjected the policy to loan, or (2) corresponded in writing with the life insurance corporation concerning the policy. Moneys otherwise payable according to the records of the corporation are deemed due and payable although the policy or contract has not been surrendered as required.

**Sec. -4 Deposits and refunds held by utilities.** The following funds held or owing by any utility are presumed abandoned:

- (1) Any deposit made by a subscriber with a utility to secure payment for, or any sum paid in advance for, utility service to be furnished in this State, less any lawful deductions, that has remained unclaimed by the person appearing on the records of the utility entitled thereto for more than seven years after the termination of the services for which the deposit or advance payment was made.
- (2) Any sum which a utility has been ordered to refund and which was received for utility services rendered in this State together with any interest thereon, less any lawful deductions, that has remained un-

claimed by the person appearing on the records of the utility entitled thereto for more than seven years after the date it became payable in accordance with the final determination or order providing for the refund.

**Sec. -5 Undistributed dividends and distributions of business associations.** Any stock or other certificate of ownership, or any dividend, profit, distribution, interest, payment on principal, or other sum held or owing by a business association for or to a shareholder, certificate holder, member, bondholder, or other security holder, or a participating patron of a cooperative, who has not claimed it, or corresponded in writing with the business association concerning it, within seven years after the date prescribed for payment or delivery, is presumed abandoned if:

- (1) It is held or owing by a business association organized under the laws of or created in this State; or
- (2) It is held or owing by a business association doing business in this State, but not organized under the laws of or created in this State, and the records of the business association indicate that the last known address of the person entitled thereto is in this State.

**Sec. -6 Property of business associations and banking or financial organizations held in course of dissolution.** All intangible personal property distributable in the course of a voluntary dissolution of a business association, banking organization, or financial organization organized under the laws of or created in this State, that is unclaimed by the owner within two years after the date for final distribution, is presumed abandoned.

**Sec. -7 Property held by fiduciaries.** All intangible personal property and any income or increment thereon, held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner has, within seven years after it becomes payable or distributable, increased or decreased the principal, accepted payment of principal or income, corresponded in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum on file with the fiduciary:

- (1) If the property is held by a banking organization or a financial organization, or by a business association organized under the laws of or created in this State; or
- (2) If it is held by a business association, doing business in this State, but not organized under the laws of or created in this State, and the records of the business association indicate that the last known address of the person entitled thereto is in this State; or
- (3) If it is held in this State by any other person.

**Sec. -8 Property held by state courts and public officers and agencies.** All intangible personal property held for the owner by any court, public corporation, public authority, or public officer of this State, or a political subdivision thereof, that has remained unclaimed by the owner for more than seven years is presumed abandoned.

**Sec. -9 Miscellaneous personal property held for another person.** All intangible personal property, not otherwise covered by this chapter, including any income or increment thereon and deducting any lawful charges, that is held or owing in this State in the ordinary course of the holder's business and has remained unclaimed by the owner for more than seven years after it became payable or distributable is presumed abandoned.

**Sec. -10 Reciprocity for property presumed abandoned or escheated under the laws of another state.** If specific property which is subject to sections -2, -5, -6, -7, and -9 is held for or owed or distributable to an owner whose last known address is in another state by a holder who is subject to the jurisdiction of that state, the specific property is not presumed abandoned in this State and subject to this chapter if:

- (1) It may be claimed as abandoned or escheated under the laws of such other state; and
- (2) The laws of such other state make reciprocal provision that similar specific property is not presumed abandoned or escheatable by such other state when held for or owed or distributable to an owner whose last known address is within this State by a holder who is subject to the jurisdiction of this State.

**Sec. -11 Report of abandoned property.** (a) Every person holding funds or other property, tangible or intangible, presumed abandoned under this chapter shall report to the director with respect to the property as hereinafter provided.

(b) The report shall be verified and shall include:

- (1) Except with respect to traveler's checks and money orders the name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of any property of the value of \$25 or more presumed abandoned under this chapter;
- (2) In case of unclaimed funds of life insurance corporations, the full name of the insured or annuitant and his last known address according to the life insurance corporation's records;
- (3) The nature and identifying number, if any, or description of the property and the amount appearing from the records to be due, except that items of value under \$25 each may be reported in aggregate;
- (4) The date when the property became payable, demandable, or returnable, and the date of the last transaction with the owner with respect to the property; and
- (5) Other information which the director prescribes by rule as necessary for the administration of this chapter.

(c) If the person holding property presumed abandoned is a successor to other persons who previously held the property for the owner, or if the holder has changed his name while holding the property, he shall file with his report all prior known names and addresses of each holder of the property.

(d) The report shall be filed before November 1 of each year as of June 30 next preceding, but the report of life insurance corporations shall be filed before May 1 of each year as of December 31 next preceding. The director

may postpone the reporting date upon written request by any person required to file a report.

(e) If the holder of property presumed abandoned under this chapter knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. The holder shall exercise due diligence to ascertain the whereabouts of the owner.

(f) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer; and if made by a public corporation, by its chief fiscal officer.

(g) The initial report filed under this chapter shall include all items of property that would have been presumed abandoned if this chapter had been in effect during the ten-year period preceding its effective date.

**Sec. -12 Notice and publication of lists of abandoned property.** (a) Within one hundred and twenty days from the filing of the report required by section -11, the director shall cause notice to be published at least once each week for two successive weeks in a newspaper of general circulation in the county in this State in which is located the last known address of any person to be named in the notice. If no address is listed or if the address is outside this State, the notice shall be published in the county in which the holder of the abandoned property has his principal place of business within this State.

(b) The published notice shall be entitled "Notice of Names of Persons Appearing to be Owners of Abandoned Property," and shall contain:

- (1) The names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice within the county as hereinbefore specified.
  - (2) A statement that information concerning the amount or description of the property and the name and address of the holder may be obtained by any persons possessing an interest in the property by addressing an inquiry to the director.
  - (3) A statement that if proof of claim is not presented by the owner to the holder and if the owner's right to receive the property is not established to the holder's satisfaction within 65 days from the date of the second published notice, the abandoned property will be placed not later than 85 days after such publication date in the custody of the director to whom all further claims must thereafter be directed.
- (c) The director is not required to publish in such notice any item of less than \$25 unless he deems such publication to be in the public interest.

(d) This section is not applicable to sums payable on traveler's checks or money orders presumed abandoned under section -2.

**Sec. -13 Payment or delivery of abandoned property.** Every person who has filed a report under section -11, within twenty days after the time specified in section -12 for claiming the property from the holder, or in the case of sums payable on traveler's checks or money orders presumed aban-

done under section -2 within twenty days after the filing of the report, shall pay or deliver to the director all abandoned property specified in this report, except that, if the owner establishes his right to receive the abandoned property to the satisfaction of the holder within the time specified in section

-12, or if it appears that for some other reason the presumption of abandonment is erroneous, the holder need not pay or deliver the property, which will no longer be presumed abandoned, to the director, but in lieu thereof shall file a verified written explanation of the proof of claim or of the error in the presumption of abandonment.

**Sec. -14 Relief from liability by payment or delivery.** Upon the payment or delivery of abandoned property to the director, the State shall assume custody and shall be responsible for the safekeeping thereof. Any person who pays or delivers abandoned property to the director under this chapter is relieved of all liability to the extent of the value of the property so paid or delivered for any claim which then exists or which thereafter may arise or be made in respect to the property. Any holder who has paid moneys to the director pursuant to this chapter may make payment to any person appearing to such holder to be entitled thereto, and upon proof of such payment and proof that the payee was entitled thereto, the director shall forthwith reimburse the holder for the payment.

**Sec. -15 Income accruing after payment or delivery.** When property is paid or delivered to the director under this chapter, the owner is not entitled to receive income or other increments accruing thereafter.

**Sec. -16 Periods of limitation not a bar.** The expiration of any period of time specified by statute or court order, during which an action or proceeding may be commenced or enforced to obtain payment of a claim for money or recovery of property, shall not prevent the money or property from being presumed abandoned property, nor affect any duty to file a report required by this chapter or to pay or deliver abandoned property to the director.

**Sec. -17 Sale of abandoned property.** (a) All abandoned property other than money delivered to the director under this chapter shall within one year after the delivery be sold by him to the highest bidder at public sale in whatever county in the State affords in his judgment the most favorable market for the property involved. The director may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

(b) Any sale held under this section shall be preceded by a single publication of notice thereof, at least three weeks in advance of sale in a newspaper of general circulation in the county where the property is to be sold.

(c) The purchaser at any sale conducted by the director pursuant to this chapter shall receive title to the property purchased, free from all claims of the owner or prior holder thereof and of all persons claiming through or under them. The director shall execute all documents necessary to complete the transfer of title.

**Sec. -18 Deposit of funds.** (a) All funds received under this chapter, including the proceeds from the sale of abandoned property under section -17, shall forthwith be deposited by the director in the general fund of the State. Before making the deposit he shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address to each insured person or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

(b) Before making any deposit to the credit of the general fund, the director may deduct:

- (1) Any costs in connection with the sale of the abandoned property;
- (2) Any costs of mailing and publication in connection with any abandoned property; and
- (3) Reasonable service charges.

**Sec. -19 Claim for abandoned property paid or delivered.** Any person claiming an interest in any property delivered to the State under this chapter may file a claim thereto or to the proceeds from the sale thereof on the form prescribed by the director.

**Sec. -20 Determination of claims.** (a) The director shall consider any claim filed under this chapter and may hold a hearing and receive evidence concerning it. If a hearing is held, he shall prepare a finding and a decision in writing on each claim filed, stating the substance of any evidence heard by him and the reasons for his decision. The decision shall be a public record.

(b) The claim shall be paid without deduction for costs of notices or sale or for service charges.

**Sec. -21 Judicial action upon determinations.** Any person aggrieved by a decision of the director or as to whose claim the director has failed to act within ninety days after the filing of the claim, may commence an action in the circuit court to establish his claim. The proceeding shall be brought within ninety days after the decision of the director or within one hundred and eighty days from the filing of the claim if the director fails to act. The action shall be tried de novo without a jury.

**Sec. -22 Election to take payment or delivery.** The director, after receiving reports of property deemed abandoned pursuant to this chapter, may decline to receive any property reported which he deems to have a value less than the cost of giving notice and holding sale, or he may, if he deems it desirable because of the small sum involved, postpone taking possession until a sufficient sum accumulates. Unless the holder of the property is notified to the contrary within one hundred and twenty days after filing the report required under section -11, the director shall be deemed to have elected to receive the custody of the property.

**Sec. -23 Examination of records.** The director may at reasonable times and upon reasonable notice examine the records of any person if he has



reason to believe that such person has failed to report property that should have been reported pursuant to this chapter.

**Sec. -24 Proceeding to compel delivery of abandoned property.** If any person refuses to deliver property to the director as required under this chapter, he shall bring an action in a court of appropriate jurisdiction to enforce such delivery.

**Sec. -25 Penalties.** (a) Any person who wilfully fails to render any report or perform other duties required under this chapter, shall be punished by a fine of \$25 for each day such report is withheld, but not more than \$1,000.

(b) Any person who wilfully refuses to pay or deliver abandoned property to the director as required under this chapter shall be guilty of a misdemeanor.

**Sec. -26 Rules and regulations.** The director is authorized to make necessary rules and regulations, pursuant to chapter 91, to carry out this chapter.

**Sec. -27 Effect of laws of other states.** This chapter shall not apply to any property that has been presumed abandoned or escheated under the laws of another state prior to the effective date of this chapter.

**Sec. -28 Severability.** If any provisions of this chapter or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

**Sec. -29 Uniformity of interpretation.** This chapter shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

**Sec. -30 Short title.** This chapter may be cited as the Uniform Disposition of Unclaimed Property Act.”

SECTION 2. Section 287-13, Hawaii Revised Statutes, is repealed.

SECTION 3. Section 403-211, Hawaii Revised Statutes, is repealed.

SECTION 4. Section 507-8, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 507-8 Sale of detained baggage; notice; disposition of proceeds.** All baggage and property so held by the keeper of the hotel shall, after the expiration of three months from the date of the detention, be sold at public auction, after notice thereof published three times in a newspaper of general circulation in the county where the hotel is kept. The proceeds thereof shall be applied to the payment of the amount due and the expenses of the notice and sale. The balance, if any remaining, shall be paid over to the owner of the property or his representative. If the balance is not claimed by the owner within sixty days after sale, then the balance shall be paid over to the director of finance of the State and shall be kept by him in a special deposit for payment to the owner and shall be disposed of as provided in chapter .”

SECTION 5. Section 531-56, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 531-56 Undistributed proceeds or balances, disposition.** When any balance remains in the hands of the clerk, after payment of all creditors’ claims presented within the time limited in section 531-54, and no heirs at law, or devisees, or legatees of the decedent, entitled to the balance, can be located after reasonable search and inquiry, the clerk, after the expiration of one year after the publication, shall report the fact to the court, which shall forthwith enter an order forwarding such property to the state director of finance, and the clerk thereupon shall immediately deposit the money or funds, or any balance, with the director for disposition as provided in chapter . The director at any time may authorize the payment out of the general funds of the State of any amount so forwarded to any person who establishes to the satisfaction of the director that he is morally entitled thereto as an heir, devisee, or legatee of the decedent, and the person shall be entitled to receive the amount thereof out of any moneys in the treasury not otherwise appropriated, upon warrant drawn by the state comptroller.”

SECTION 6. Section 532-14, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 532-14 Disposition by state.** If the intestate leaves no kindred, his estate shall be disposed of as provided in chapter .”

SECTION 7. Chapter 665, Hawaii Revised Statutes, is amended by repealing parts II and III.

SECTION 8. Section 246-63, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 246-63 Disposition of surplus moneys.** The officer charged with the duty of distributing the surplus arising from a tax sale under sections 246-56 to 246-61 shall pay from the surplus all taxes, including interest and penalties, of whatsoever nature and howsoever accruing, as provided in section 246-55, and further he may pay from the surplus the cost of a search of any records where such search is deemed advisable by him to ascertain the person or persons entitled to the surplus; provided, nothing herein contained shall be construed to require the tax collector to make or cause any such search to be made. If the officer is in doubt as to the person or persons entitled to the balance of the fund he may refuse to distribute the surplus and any claimant may sue the officer or his successor in office in the circuit court in the circuit within which the property sold was situated. The officer may require the claimants to interplead, in which event he shall state the names of all claimants known to him, and shall cause them to be made parties to the action. If in his opinion there may be other claimants who are unknown the officer may apply for an order or orders joining all persons unknown having or claiming to have any legal or equitable right, title, or interest in the moneys or any part thereof or any lien or other claim with respect thereto.

Any orders of the court or summons in the matter may be served as provided by law or the rules of court, and all persons having any interest in the moneys who are known, including the guardians of such of them as are under legal age or under any other legal disability (and if any one or more of them is under legal age or under other legal disability and without a guardian the

court shall appoint a guardian ad litem to represent them therein) shall have notice of the action by personal service upon them. All persons having any interest in the moneys whose names are unknown or who if known do not reside within the State, or for any reason cannot be served with process within the State shall have notice of the action as provided by sections 634-23 to 634-28, except that any publication of summons shall be in at least one newspaper published in the State and having a general circulation in the circuit within which the property sold was situated, and the form of notice to be published shall provide a brief description of the property which was sold.

All expenses incurred by the officer shall be met out of the surplus moneys realized from the sale.

SECTION 9. Section 507-15, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 507-15 Application of proceeds of sale.** Out of the proceeds of sale pursuant to section 507-14, the holder of the lien may retain the amount of the lien, plus twenty-five per cent thereof to cover expenses incurred in connection with the storage, handling, and sale of the article or lot of articles sold. Any balance remaining of the sale price of each article or lot of articles sold which is not claimed by the owner thereof within thirty days from the date of sale shall be deposited with the director of finance of the State for payment to the owner and shall be disposed of as provided in chapter .”

SECTION 10. Section 531-33, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 531-33 Procedure to dispose of unclaimed personalty.** Whenever the administrator or executor of an estate is unable to discover any living heirs or legatees of his decedent, he shall give notice to all heirs or legatees by publication in such newspaper or newspapers and for such time as the court may direct, but not less than once a week for three successive weeks, of the date of the hearing upon his final accounts and direct all claimants of a distributive share in the estate of his decedent, to appear and present their claims at the hearing; provided, that the date of hearing shall be not less than ninety days after the first publication of the notice.

If no claims are presented at the hearing on the final accounts, or if such claims as may be allowed do not exhaust the personalty of the estate, any personal estate remaining after the settlement and approval of the final accounts of the administrator or executor, and the payment of such distributive shares as may be allowed by the court, shall upon order of the court be transferred to the state director of finance by the administrator or executor.

The director shall cause to be sold at public auction all such personalty as is transferred to him, except cash or bonds of the State.

The personal estate shall be disposed of as provided in chapter .”

SECTION 11. Section 531-34, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 531-34 Payments into court.** When property is distributed to a distributee, legatee, heir, or beneficiary who cannot be found, or who refuses to

accept the same, or to give a proper voucher therefor, and the same consists of money, or corporate stocks, or bonds, the executor, administrator, or trustee may deposit the property, in the name of the person entitled thereto, with the clerk of the circuit court in which the estate is pending in probate, or, in the case of a trust, with the clerk of the circuit court having jurisdiction over the subject matter of the trust, who shall give a receipt therefor and be liable upon his official bond therefor and be subject to chapter . The receipt shall be deemed and received with the same force and effect as if executed by the distributee, legatee, heir, or beneficiary. Any executor, administrator, or trustee under this section shall submit to the clerk of the court, at the time of making the deposit, an affidavit setting forth the period of time the money, or corporate stocks, or bonds have been in affiant's possession.

SECTION 12. Section 531-58, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 531-58 Estates of persons leaving no known relatives.** Every coroner, or medical examiner, who is called to investigate the death of any person leaving no known major relatives in the State, shall take immediate charge of such decedent's personal effects and if in the discretion of the coroner the value of such personal effect is in excess of \$100, forthwith deliver them to the clerk of the circuit court of the circuit in which such decedent died.

If after ten days no person appears, competent to initiate appropriate administration or probate proceedings, the clerk shall administer the estate pursuant to the provisions of this part; provided, that if such decedent's estate be of a value exceeding \$3,000, the clerk shall notify the judge of such circuit having charge of the probate calendar, and shall petition for the appointment of an appropriate administrator of such estate other than the clerk. In the meantime the clerk may take such steps as may be appropriate to preserve and conserve the real and personal property of the decedent. All expenses in connection with the taking possession, care and conservation of the property and with such proceedings shall be proper charges against the estate of the decedent. The corporation counsel or county attorney of each county shall advise, assist and represent as far as necessary any of such officers in the performance of any act or the institution or prosecution of any proceeding required by this section.

If such decedent's estate be of a value not exceeding \$100 and such decedent has no known relatives or whose relatives have failed to indicate any means of disposition of such estate, then the coroner, or medical examiner, having custody of such property shall dispose of such property in an appropriate manner, which may be any one of the following or a combination thereof:

- (1) Where the assets belonging to such estates consists only of money and is not in excess of \$100 and expenditures have been made in connection with such death, to reimburse the appropriate city and/or county office which made the disbursement to defray said expenses;
- (2) Where the estate consists of cash and/or personal belongings of monetary value, not exceeding \$100, to liquidate said personal belongings and apply the proceeds, together with the cash, if the total

does not exceed \$100, in accordance with paragraph 1 hereinabove set forth;

- (3) Where the assets in the estate are of no monetary value (unsaleable) and in his best judgment and discretion can be used by some charitable institution, to donate said assets to whatever charitable institution is willing and able to pick up the assets in question;
- (4) Where the assets have no value whatsoever or in such condition that, in his best judgment and discretion, a charitable institution cannot use said properties, or will not receive said properties, to destroy the same in any manner he sees fit; and
- (5) If under paragraphs 1 and 2, there are assets remaining, then he shall forthwith forward the same to the state director of finance for disposition as provided in chapter .”

SECTION 13. Section 531-59, Hawaii Revised Statutes, is amended to read as follows:

“**Sec. 531-59 Estates not in excess of \$700.** Upon the death of any person dying intestate and leaving only personal property in the State not exceeding \$700 and where an administrator has not been appointed in the State, a clerk of the circuit court of the circuit wherein the person was domiciled or if not domiciled in the State, the circuit wherein he was residing or had personal property at the time of his death, may, upon the filing with the clerk by an interested person of a death certificate issued by a government agency and of an affidavit setting forth the above facts, the names of the heirs if known, and other pertinent facts as required by the clerk, collect or otherwise reduce to possession or turn into cash all assets of the estate. If after payment of funeral expenses as a preferred claim against the estate there are assets remaining, the clerk shall give notice to creditors and heirs as provided by section 531-52 by posting, or if there are sufficient funds, by posting and advertising, and if after the period and distribution of assets to creditors of deceased persons who have filed proper claims there are assets remaining, then the clerk upon the facts contained in the affidavit as to heirship, shall deliver the assets to the personal representative, if any, or if no personal representative has been appointed, then to the heirs in accordance with the statutes of descent of the State. If no creditors, personal representative, or heirs appear or are found within sixty days of the notice, the clerk shall convert all personal property into cash and forthwith deposit the same with the state director of finance for disposition as provided in chapter .”

SECTION 14. 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 15. This Act shall take effect upon its approval.

(Approved May 29, 1974.)

\*Edited accordingly.