STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 4 2011

RE: S.B. No. 105 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 105 entitled:

"A BILL FOR AN ACT RELATING TO UNIFORM REAL PROPERTY TRANSFER ON DEATH,"

begs leave to report as follows:

The purpose and intent of this measure is to enable an owner of real property within this State to pass on the property simply and directly to a beneficiary upon the property owner's death without the need for a probate process.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation and one private individual.

Your Committee finds that under current law, there is no simple and straightforward means of passing on real property from a decedent to a beneficiary, even though real property is often an individual's most important or only asset. In contrast, there are existing simple methods of passing on personal property of similar value such as life insurance, pension plans, securities, or banked assets. Your Committee further finds that a transfer on death deed for real property as contained in this measure offers individuals a means of distributing real property to surviving family or loved ones without a lengthy and complicated probate process and without unintended adverse effects, such as complications of Medicaid eligibility, for either the grantor or the beneficiary. Finally, your Committee notes that this measure



STAND. COM. REP. NO. Page 2

is based on a uniform model act that has been adopted by thirteen states to date.

Your Committee has amended this measure by:

- Replacing language regarding liability for creditor (1)claims and statutory allowances with alternate language from the model act upon which this measure is based to better conform to existing state law; and
- (2)Making technical, nonsubstantive changes for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 105, S.D. 1, and be referred to the Committee on Ways and Means.

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

Kosaly H Baker LYN H. BAKER, Chair



The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:* Committee Referral: Date:				
SB 105 CPN, WAM 2-9-2011				
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)				
TANIGUCHI, Brian T. (VC)				
GALUTERIA, Brickwood				
GREEN, M.D., Josh				
NISHIHARA, Clarence K.	V			
SOLOMON, Malama				
SLOM, Sam				entropic fille and the second second
				<u>22500000000000000000000000000000000000</u>
TOTAL	7	0	G	C
Recommendation:				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes