Honolulu, Hawaii

February 4, 2015

RE: H.B. No. 26

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 26 entitled:

"A BILL FOR AN ACT RELATING TO THE COMPENSATION OF TRUSTEES,"

begs leave to report as follows:

The purpose of this measure is to clarify the method of calculating the compensation of trustees. Among other things, this bill:

- (1) Clarifies that advanced written notice of any amendment of the trustee's fee schedule shall be provided to beneficiaries who are vested at the time of the notice;
- (2) Amends and specifies for clarity the method of calculation of fee-sharing by individual co-trustees;
- (3) Specifies that trustees shall be paid not more than once per quarter and are not required to be paid upon receipt of income; and
- (4) Repeals the cost of living adjustment of the asset value ranges upon which trustee compensation is calculated.

Bank of Hawaii testified in support of this measure.

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As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 26 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Judiciary,

KARL RHOADS, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature

HSCR 2

Record of Votes of the Committee on Judiciary

| Bill/Resolution No.: HB 26 | Committee Referral: JVD, FI | N Date | 1/30/15 | |
|---|------------------------------|--------------|---------|---------|
| ☐ The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| JUD Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. RHOADS, Karl (C) | X | | | - |
| 2. SAN BUENAVENTURA, Joy A. (| vc) | | | - |
| 3. BELATTI, Della Au | | | | × |
| 4. BROWER, Tom | Х | | | |
| 5. CACHOLA, Romy M. | | | | X |
| 6. CREAGAN, Richard P. | X | | | |
| 7. HASHEM, Mark J. | * | | | |
| 8. KAWAKAMI, Derek S.K. | \varnothing | | | |
| 9. LEE, Chris | * | | | |
| 10. MORIKAWA, Dee | A | | | |
| 11. NAKASHIMA, Mark M. | | | | N |
| 12. TAKAYAMA, Gregg | | | | |
| 13. WOODSON, Justin H. | \nearrow | | | |
| 14. MCDERMOTT, Bob | X | | | |
| 15. THIELEN, Cynthia | | | | /0 |
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| TOTAL (15) | 11 | <i>&</i> | 8 | 4 |
| The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) Committee Duplicate (Yellow) Chief Clerk's Office Duplicate (Pink) HMSO | | | | |