

STAND. COM. REP. NO. **2**

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.



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



