

ACT 172

S.B. NO. 2785

A Bill for an Act Relating to Unclaimed Property.

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

SECTION 1. Chapter 523A, Hawaii Revised Statutes, is amended by adding a new section to be appropriate designated and to read as follows:

“§523A- Unclaimed property trust fund. (a) There is established in the state treasury the unclaimed property trust fund, which shall be administered by the director.

(b) The proceeds of the fund shall be used to pay claims for return of abandoned property to their rightful owners and to other states’ unclaimed property programs for owners whose last known address was in that other state.

(c) All moneys collected by the unclaimed property program from holders of property presumed abandoned and proceeds from the sale of unclaimed property, less costs in connection with the sale of the abandoned property, shall be deposited into the unclaimed property trust fund.

(d) All funds in the unclaimed property trust fund in excess of \$1,000,000 remaining on balance on June 30 of each year shall lapse to the credit of the state general fund.”

SECTION 2. Section 523A-23, Hawaii Revised Statutes, is amended to read as follows:

“[[§523A-23]] **Deposit of funds.** (a) Except as otherwise provided by this section, the director shall promptly deposit in the [general] unclaimed property trust fund of this State all funds received under this part, including the proceeds from the sale of abandoned property under section 523A-22. All funds in excess of \$1,000,000 remaining on balance in the unclaimed property trust fund on June 30 of each year shall be transferred by the director to the state general fund. The trust fund balance shall be invested by the director and all investment earnings shall be deposited to the credit of the general fund.

(b) Before making any deposit to the credit of the [general] unclaimed property trust fund, the director may deduct:

- (1) Any costs in connection with the sale of abandoned property;
- (2) Costs of mailing and publication in connection with any abandoned property;
- (3) Reasonable service charges; and
- (4) Costs incurred in examining records of holders of property and in collecting the property from those holders.”

SECTION 3. Section 523A-24, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) If a claim is allowed, the director shall deliver the property to the claimant or pay [over or deliver] from the unclaimed property trust fund to the claimant [the property or] the amount the director actually received or the net proceeds if [it] the property has been sold by the director, together with any additional amount required by section 523A-21. If the claim is for property presumed abandoned under section 523A-10 [which] that was sold by the director within three years after the date of delivery, the amount payable for that claim is the value of the property at the time the claim was made or the net proceeds of sale, whichever is greater.”

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000, or so much thereof as may be necessary for fiscal year 2000-2001, to be deposited into the unclaimed property trust fund, for the purpose of satisfying claims for return of abandoned property.

SECTION 5. The sum appropriated shall be expended by the department of budget and finance for the purposes of this Act.

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SECTION 6. Statutory material to be repealed is bracketed. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2000.

(Approved June 6, 2000.)

Note

1. Edited pursuant to HRS §23G-16.5.