

ACT 63

S.B. NO. 1161

A Bill for an Act Relating to the Disposition of Abandoned or Seized Property on Public Lands.

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

SECTION 1. Section 171-31.5, Hawaii Revised Statutes, is amended to read as follows:

“§171-31.5 Disposition of abandoned or seized property. (a) The department may sell, donate, or otherwise dispose of property abandoned or seized on land owned by the State upon compliance with the requirements of this section.

(b) The department shall send notice by certified mail, at least thirty days prior to disposition of the abandoned or seized property, to the address of the owner of [said] the property abandoned or seized if the owner is known or can be determined. The notice shall apprise the owner of the identity and location of the property abandoned or seized and of the intent of the department to sell, donate, or otherwise dispose of the property. Where the identity or the address of the owner is unknown or cannot be determined, the notice shall be posted on the premises where the property was abandoned or seized.

(c) [The] If the abandoned or seized property has an estimated value of \$1,000 or more, the department shall also give public notice of the disposition at least once [in the county] either statewide or in a publication of local circulation where the property was abandoned or seized; provided that the disposition shall not take place less than five days after the notice of intent to dispose of the property.

(d) The sale of [property] abandoned or seized property having an estimated value of \$1,000 or more shall be by public auction through oral tenders in the county where the property was abandoned or seized. Where no bid is received, the property may be sold by negotiation, disposed of or sold as junk, kept by the department, or donated to any other government agency or a charitable organization.

(e) Any person entitled to the [property] abandoned or seized property may repossess the property prior to its disposition upon proof of entitlement and payment of all unpaid rent, debts, charges, and fines owing and all handling, storage, appraisal, advertising, and any other expenses incurred in connection with the proposed disposition of the [property] abandoned or seized[-] property.

(f) The requirement of public notice and public auction pursuant to subsections (c) and (d) shall not apply when the value of the property abandoned or seized is less than ~~[\$100.]~~ \$1,000. In that event, the property may be sold by negotiation, disposed of or sold as junk, kept by the department, or donated to any other government agency or a charitable organization.

(g) The proceeds of the sale [at public auction] of [property] abandoned or seized[-] property, after deduction of all charges and fines and all expenses of handling, storage, appraisal, advertising, and other sale expenses, shall be first offset against any amounts owed by the owner to the State. Any amount remaining shall be held in trust for the owner of the property for thirty days, after which time the proceeds shall be paid into the [general or appropriate special fund.] department’s appropriate special fund or to the general fund if no special fund exists.

(h) The remedies available to the owner of abandoned or seized property are limited to those provided in subsections (e) and (g) of this section. The State, its officers, employees, and agents shall not be liable to the owner of [property] abandoned or seized property because of any disposition of the property made pursuant to this section.

(i) For purposes of this section, “department” includes the department of land and natural resources and any other state department or agency [which] that manages land owned or controlled by the State.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 26, 2001.)