

ACT 229

S.B. NO. 2748

A Bill for an Act Relating to Unclaimed Property.

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

SECTION 1. Section 523A-9, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Except for property held in a safe deposit box or other safekeeping depository, ~~[within six months after the final date for]~~ upon filing the report required by section 523A-8, the holder of property presumed abandoned shall pay, deliver, or cause to be paid or delivered to the administrator the property described in the report as unclaimed~~[-but];~~ provided that if the property is an automatically renewable deposit, and a penalty or forfeiture in the payment of interest would result, the time for compliance shall be extended until a penalty or forfeiture would no longer result. Tangible property held in a safe deposit box or other safekeeping depository shall not be delivered to the administrator until an additional one hundred twenty days after the time for payment or delivery to the administrator of property presumed abandoned as required by this subsection.”

SECTION 2. Section 523A-25, Hawaii Revised Statutes, is amended by amending subsections (d) and (e) to read as follows:

“(d) An agreement covered by this section ~~[which]~~ that provides for compensation that ~~[is unenforceable]~~ exceeds ten per cent of the total value of the property shall be unenforceable except by the owner. An owner who has agreed to pay compensation that ~~[is unenforceable]~~ exceeds ten per cent of the total value of the property, or the administrator on behalf of the owner, may maintain an action to reduce the compensation to ~~[a reasonable]~~ an amount[-] not to exceed ten per cent of the total value of the property. The court may award reasonable attorney’s fees to an owner who prevails in the action.

(e) This section does not preclude an owner from asserting that an agreement covered by this section is invalid on grounds other than ~~[unenforceable]~~ excessive or unjust compensation. The court may award reasonable attorney’s fees to an owner who prevails in the action.”

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SECTION 3. Section 560:3-1210, Hawaii Revised Statutes, is amended to read as follows:

“§560:3-1210 Undistributed proceeds or balances, disposition. When any balance remains in the hands of the clerk, after payment in the order specified in section 560:3-805, and if no heirs or devisees of the decedent[-] entitled to the balance[-] can be located after reasonable search and inquiry, the clerk, after the expiration of one year after the first publication, shall report the fact to the court[-] which. The court shall forthwith enter an order forwarding [such] the property to the state director of finance, and the clerk thereupon shall immediately deposit the money or funds, or any balance, with the director for disposition as provided in chapter 523A. The director at any time may authorize the payment out of the [general funds of the State of] unclaimed property trust fund under section 523A-26 any amount so forwarded to any person who establishes to the satisfaction of the director that the person is legally entitled thereto as an heir or devisee of the decedent, and the person shall be entitled to receive the amount thereof out of any moneys in the treasury not otherwise appropriated, upon warrant drawn by the state comptroller.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2012.

(Approved July 5, 2012.)