

ACT 147

H.B. NO. 888

A Bill for an Act Relating to Disposition of Personal Property on Public Housing Properties.

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

SECTION 1. Chapter 356D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§356D- Disposition of abandoned or seized property. (a) The authority may sell, donate, or otherwise dispose of property abandoned or seized in or around any state low-income housing project upon compliance with the requirements of this section.

(b) The authority shall send notice by certified mail, at least five calendar days prior to disposition of the abandoned or seized property, to the address of the owner of 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 authority to sell, donate, or otherwise dispose of the property. If the identity or the address of the owner is unknown or cannot be determined, the notice shall be posted on the premises on which the property was abandoned or seized.

(c) If the abandoned or seized property has an estimated value of \$500 or more per item, the authority shall also give public notice of the disposition at least once statewide or in a publication of local circulation in the county in which the property was abandoned or seized; provided that the disposition shall not take place fewer than five days after the notice of intent to dispose of the property. The value of the items shall be estimated at the discretion of the authority.

(d) The sale of abandoned or seized property having an estimated value of \$500 or more per item as estimated at the discretion of the authority shall be by public auction through oral offers in the county in which the property was abandoned or seized. If no bid is received, the property may be disposed of as the authority deems appropriate.

(e) Any person entitled to the 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 owed to the authority and all handling, storage (not less than \$25 per day), appraisal, advertising, and any other expenses incurred in connection with the proposed disposition of the 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 abandoned or seized property is less than \$500 per item. Such property may be disposed of as the authority deems appropriate.

(g) The proceeds of the sale of abandoned or seized property, after deduction of all unpaid rent, debts, charges, and fines owed to the authority, 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 authority's appropriate special fund.

(h) The State, its officers, employees, and agents shall not be liable to the owner of abandoned or seized property for actions taken pursuant to this section.”

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SECTION 2. Section 356D-56, Hawaii Revised Statutes, is repealed.

SECTION 3. Statutory material to be repealed is bracketed and stricken.

New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2013.

(Approved June 21, 2013.)

Note

1. Edited pursuant to HRS §23G-16.5.