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OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY RODERICK K. BECKER  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON FINANCE  
ON  
SENATE BILL NO. 978, S.D. 1, H.D. 1

**April 3, 2019**  
**2:00 P.M.**  
**Room 308**

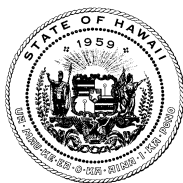
RELATING TO STATE LIBRARY SYSTEM

Senate Bill No. 978, S.D. 1, H.D. 1, specifies funds of \$10 or less in the unclaimed property trust fund shall escheat to the State and transferred to the libraries special fund upon expiration of a five-year time limitation. The bill also increases the threshold for escheatment of unclaimed funds to the general fund from amounts less than \$100 to amounts less than \$250 after the expiration of a five-year time limitation.

The Department is providing comments on this bill. Currently, Section 523A-19, HRS, already establishes a ten-year time limitation for owners to file a claim for funds \$100 or less deposited in the unclaimed property trust fund. These funds escheat to the State upon expiration of the ten-year time limitation. Escheatment and transfer of unclaimed funds of \$10 or less to the libraries special fund will result in losses to the general fund.

While we appreciate the intent of the bill, as the fiduciary administering the Program's Trust Fund, we believe that it is in the better interest of the owners, their heirs, or beneficiaries to have access to file a claim for their funds within a reasonable time limitation which has been established at 10 years.

Thank you for your consideration of our comments.



DAVID Y. IGE  
GOVERNOR

STACEY A. ALDRICH  
STATE LIBRARIAN

STATE OF HAWAII  
HAWAII STATE PUBLIC LIBRARY SYSTEM  
OFFICE OF THE STATE LIBRARIAN  
44 MERCHANT STREET  
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**HOUSE COMMITTEE ON FINANCE**  
**Wednesday, April 3, 2019**  
**2:00p.m.**  
**Conference Room 308**  
**State Capitol**

**By**  
**Stacey A. Aldrich**  
**State Librarian**

**S.B. 978 S.D.1 H.D.1 – Relating to the State Library System**

To: Chair Sylvia Luke  
Vice Chair Ty J.K. Cullen  
Members of the House Committee on Finance

The Hawaii State Public Library System (HSPLS) **supports** S.B. 978 S.D.1 H.D.1, which would provide additional financial support to the libraries special fund. The libraries special fund helps to support over 51 branch libraries statewide and will benefit all library patrons.

We understand that the Department of the Attorney General has raised concerns regarding whether the subject and title of this measure comply with section 14 of article III of the Hawaii State Constitution. HSPLS is open to having the intent and contents of this measure moved to another bill with an appropriate title if the Committee chooses to do so.

Thank you for the opportunity to comment on this measure.