

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1020

February 22, 2023
2:00 P.M.
Room 308 and Videoconference

RELATING TO PAYMENT OF CLAIMS OF THE UNCLAIMED PROPERTY PROGRAM

The Department of Budget and Finance supports House Bill No. 1020, which proposes to increase the amount of moneys that can be carried over at June 30 of each fiscal year by the Unclaimed Property Trust Fund from \$1,300,000 to \$2,500,000. This bill will permit the timely payment of claims filed with the Unclaimed Property Program.

Pursuant to section 523A-26 (d), HRS, all unencumbered and unexpended moneys in excess of \$1,300,000 remaining on balance in the Trust Fund on June 30 of each year lapses to the credit of the general fund. Consequently, the beginning balance at the start of the fiscal year for the Trust Fund is \$1,300,000.

Often times, claims waiting to be paid from the prior fiscal year exceed the \$1,300,000 opening balance hence payment of those claims are delayed. This bill will allow the timely payment of such claims at the beginning of the fiscal year.

Thank you for your consideration of our comments.