



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA
SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce and Consumer Protection
Friday, February 16, 2024
9:30 a.m.
Via Videoconference**

**On the following measure:
S.B. 2112, RELATING TO INSTALLMENT LOANS.**

Chair Keohokalole and Members of the Committee:

My name is Iris Ikeda, and I am the Commissioner of the Department of Commerce and Consumer Affairs' Division of Financial Institutions (DFI). The Department supports this bill.

The purpose of this bill is to focus the law on its intended scope, installment lenders, and clarify that the law is not intended to eliminate the ability of lenders to make low interest rate loans under the interest and usury law. Removes the term "consumer loan" to consistently use the defined term "installment loan" in the statute.

Currently, the installment loan law includes the term consumer loan in the definition of installment lender. Working with the industry, DFI proposes to update the definition of "installment lender" by inserting the term "installment loan" in place of the term "consumer loan", thereby consistently using the defined term, "installment loan".

Thank you for the opportunity to testify, and we respectfully ask the Committee to pass this bill.