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# HOUSE CONCURRENT RESOLUTION

REQUESTING A SUNRISE REVIEW ON THE REGISTRATION OF PROVIDERS OF  
DEBT-MANAGEMENT SERVICES.

1           WHEREAS, debt-management services refer to services as an  
2 intermediary between an individual and a creditor of the  
3 individual for the purpose of obtaining from the creditor a  
4 concession to have the repayment of a debt restructured along  
5 terms more favorable to an individual than are the terms of the  
6 governing contract between the individual and a creditor, but  
7 does not include legal services, accounting services, or  
8 financial planning services; and  
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10           WHEREAS, debt-management services are generally comprised  
11 of two kinds of services, specifically, the providing of  
12 counseling coupled with assisting debtors in establishing  
13 programs to pay off debts over an extended time, and the  
14 providing of consolidation and management services, in which  
15 agreements are reached with creditors to settle on a percentage  
16 of debt; and  
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18           WHEREAS, debt-management services have been criticized for  
19 attempting to steer debtors away from bankruptcy when bankruptcy  
20 might have been more advantageous and less costly to the debtor;  
21 and  
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23           WHEREAS, H.B. No. 184, introduced during the Regular  
24 Session of 2007, will prohibit some persons from holding  
25 themselves out as providers of debt-management services unless  
26 they are registered with the Director of Commerce and Consumer  
27 Affairs; and  
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29           WHEREAS, the Auditor is required pursuant to section 26H-6,  
30 Hawaii Revised Statutes, to conduct sunrise reviews of specific  
31 measures identified through a concurrent resolution; now,  
32 therefore,



