STAND. COM. REP. NO. 1377

Honolulu, Hawaii MAR 3 0 2007

RE: S.C.R. No. 35

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred S.C.R. No. 35 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING A SUNRISE REVIEW ON THE REGISTRATION OF PROVIDERS OF DEBT-MANAGEMENT SERVICES,"

begs leave to report as follows:

The purpose of this measure is to request a sunrise review on the registration of providers of debt-management services.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation and Legal Aid Society of Hawai'i.

Your Committee finds that the use of debt-management services by consumers is increasing and these services have been criticized for attempting to steer debtors away from bankruptcy when bankruptcy might be more advantageous and less costly to the debtor. Concern has been raised as to whether some type of regulation or registration requirement should apply to providers of debt-management services.

During the 2007 Regular Session, S.B. No. 159 was introduced and sought to prohibit persons from holding themselves out as providers of debt-management services unless they are registered with the Department of Commerce and Consumer Affairs.

This measure, in compliance with section 26H-6, Hawaii Revised Statutes, requests the Auditor to perform a sunrise review on the registration of providers of debt-management services with

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the Director of Commerce and Consumer Affairs as provided in S.B. No. 159.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 35 and recommends that it be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Affordable Housing,

BRIAN T. TANIGUCHI, Chai:

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:*	CPH.	Referral: , WAM	Da	te: 3-29	-07
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)		V			
IGE, David Y. (VC)					V
ESPERO, Will					V
IHARA, Jr., Les		V			
SAKAMOTO, Norman		V/			
SLOM, Sam		<u> </u>			
TOTAL		4	0	0	2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

^{*}Only one measure per Record of Votes