

Honolulu, Hawaii

APR 02 2008

RE: H.B. No. 2920  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and  
Affordable Housing, to which was referred H.B. No. 2920 entitled:

"A BILL FOR AN ACT RELATING TO FRAUD PREVENTION,"

begs leave to report as follows:

The purpose of this measure is to deter the commission of fraud crimes against people and their property by preventing notarized documents from being altered by substituting content that was not part of the document to which the notarial seal originally was applied.

Specifically, this measure:

- (1) Requires notaries to place the notary's seal over a succinct phrase describing the document being notarized and keep a record describing the nature of the notarized document; and
- (2) Authorizes the Attorney General to prescribe measures as necessary to prevent the fraudulent use of notarized documents.

Testimony in support of this measure was submitted by the Department of the Attorney General and the host of the television show America's Most Wanted.

Your Committee finds that the alteration of notarized documents undermines the various requirements for these documents



that are imposed to ensure their authenticity. Your Committee notes that the Department of the Attorney General's testimony suggested a more comprehensive approach be exercised in order to address the issues relating to notaries.

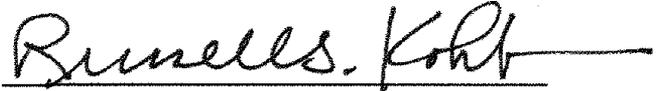
Accordingly, your Committee has amended this measure by:

- (1) Deleting section 2 of this measure and replacing it with sections 1, 2, and 3 of H.B. No. 3053, which adds definitions to chapter 456, Hawaii Revised Statutes; clarifies the powers and duties of the Attorney General with respect to notaries public; creates four new criminal offenses if a notary public knowingly notarizes a document and fails to include a certification that includes:
  - (A) The date of the notarization and signature of the notary public;
  - (B) The printed name and stamp or seal of the notary public;
  - (C) The identification of the jurisdiction in which the notarial act is performed;
  - (D) The identification or description of the document being notarized, placed in close proximity to the acknowledgement or jurat; and
  - (E) The statement of the number of pages and date of the document;
- (2) Adds section 4 of H.B. No. 3053, which amends section 456-9, Hawaii Revised Statutes, to include administrative fines and identifies six acts of misconduct related to the prevention of fraud;
- (3) Adds section 5 of H.B. No. 3053, which amends section 456-9.5, Hawaii Revised Statutes, to include the deposit of administrative fines related to fraud prevention into the Notaries Public Revolving Fund; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and style.



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 is in accord with the intent and purpose of H.B. No. 2920, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2920, S.D. 1, and be placed on the calendar for Third Reading.

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



RUSSELL S. KOKUBUN, Chair



