STAND. COM. REP. NO. **3222**

Honolulu, Hawaii

APR 0 5 2012

RE: H.B. No. 2508 H.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2508, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COLLECTION AGENCIES,"

begs leave to report as follows:

The purpose and intent of this measure is to strengthen the Department of Commerce and Consumer Affairs' oversight of exempt out-of-state collection agencies.

Specifically, this measure:

- (1) Clarifies qualification and enforcement provisions for exempt out-of-state collection agencies; and
- (2) Increases fines for collection agencies governed under chapter 443B, Hawaii Revised Statutes.

Your Committee finds that, between 2004 and 2011, the number of exempt out-of-state collection agencies operating in Hawaii more than doubled, while the number of registered collection agencies remained relatively stable. Your Committee also finds that additional regulatory provisions are warranted to ensure that Hawaii consumers are afforded certain safeguards when contacted by an exempt agency. Your Committee believes that this measure will enable the Department of Commerce and Consumer Affairs to adequately oversee the growing number of exempt out-of-state collection agencies in a manner that protects Hawaii's consumers,

while also preserving the reciprocal benefits of exempt out-ofstate collection agencies.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2508, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

And y ge DAVID Y. IGE, Chair

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		D	Date:	
HB2508 HD1	CPN, WAM			3-28-12	
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
IGE, David Y. (C)					
KIDANI, Michelle N. (VC)					
CHUN OAKLAND, Suzanne					
DELA CRUZ, Donovan M.					
ENGLISH, J. Kalani			. "		
ESPERO, Will					
FUKUNAGA, Carol					
KIM, Donna Mercado					
KAHELE, Gilbert					
KOUCHI, Ronald D.					
RYAN, Pohai			****		
TOKUDA, Jill N.					
WAKAI, Glenn			<u> </u>		
SLOM, Sam					
TOTAL		11	0	0	3
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes