STAND. COM. REP. NO. 2037

Honolulu, Hawaii

FEB 07 2012

RE: S.B. No. 2770

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2770 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 clarify and strengthen enforcement provisions for exempt out-of-state collection agencies and increase penalties for violations by all collection agencies governed under chapter 443B, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that the number of exempt out-of-state collection agencies operating in Hawaii has doubled since 2004, while the number of registered collection agencies has remained relatively stable. Exempt out-of-state collection agencies may operate in a limited capacity, without registration and bonding, and without maintaining a local address. Your Committee further finds that the exemption from collection agency law was originally enacted to afford Hawaii-registered collection agencies reciprocity with other participating states.

Your Committee notes that the amendments proposed by this measure will allow the Department of Commerce and Consumer Affairs to adequately oversee the growing number of exempt out-of-state

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collection agencies in a manner that protects Hawaii's consumers and preserves the reciprocal benefits of exempt agencies.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2770 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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

ROSALYN H. BAKER, Chair

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:		i	Date:	
SB 2770	CPN.	. WAM	2	-3-1	2
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
BAKER, Rosalyn H. (C)					
TANIGUCHI, Brian T. (VC)					
GALUTERIA, Brickwood		,			
GREEN, M.D., Josh		V			
NISHIHARA, Clarence K.					
SOLOMON, Malama					
SLOM, Sam		V			
<u></u>					
					
TOTAL		6	0	\wedge	1
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