EDWARD R. BENDET YURIKO J. SUGIMURA KEITH S. AGENA LORI LEI Y. HIJII

OF COUNSEL GREGORYA, FERREN

BENDET FIDELL

ATTORNEYS AT LAW A LAW CORPORATION BISHOP SQUARE 1001 BISHOP STREET, STE 710 HONOLULU, HAWAII 96813



AREA CODE 805

TELEPHONE 524-0544 TELEFAX 521-7739

LAWYERS@BENDETFIDELL.COM WWW.BENDETFIDELL.COM

February 4, 2013

Sen. Roslyn Baker, Chair Sen. Brickwood Galuteria, Chair Senate Committee on Commerce and Consumer Protection

Re: SB968 Service by Publication Hearing: Tuesday, Feb. 5, 2013 at 8:30 a.m., Conf. Rm. 229

Chair Baker, Vice-Chair Galuteria and Members of the Committee:

I am a partner in my law firm and I have been representing business clients in collection cases for over 30 years.

As part of any civil lawsuit, Hawaii law requires my clients to serve the debtor defendant with a copy of the complaint. If the defendant can't be found, then Hawaii law allows for substituted service. First you have to attempt service by certified mail return receipt requested and if that does not result in the defendant debtor's signature on the return receipt then the law requires you to publish the summons (which is the last page of the complaint) in a newspaper of general circulation. This does not happen often, but in the past the cost to run the publication for 4 weeks as required by HRS 636-34 was about \$1,000. This cost is usually advanced by the law firm for the client and the amount of the cost of publication is a recoverable cost that can be added to the judgment that ultimately results if the defendant does not appear at the court hearing date specified in the ad.

Recently, my firm sent a request for an estimate to the local newspaper attached to this testimony is a copy of that estimate and it was almost \$2,400 for the publication. When I advised my client of the cost, they asked me to hold off on this.

Last year when this body was amending the foreclosure laws, one of the issues was the high cost of publishing the foreclosure notices, which costs were passed on to the consumer borrower just as the cost of publication of summons is passed on to the consumer debtor. I am suggesting that the same language that was adopted for the foreclosure law be added to the publication of summons laws so as to reduce the cost to the creditor-plaintiff who has to SB 963 Re Service by Publication Senate Committee on Commerce and Consumer Protection Hearing: Tues., Feb. 5, 2013, 8:30 a.m. February 4, 2013 Page 2

pay the cost initially and to the consumer-debtor who is ultimately responsible for payment of that cost.

The amendment to the foreclosure law also allowed for publication of certain foreclosure notices to be posted on a state website operated by or under the supervision of the DCCA. Since so many people now are using the internet and have devices like smart phones and note pads that have access to the internet I believe that an ad that is published on the internet is more likely to be noticed than one that is published in a newspaper and I would suggest that the website that the DCCA is working to establish be used to post any and all legal notices that would otherwise require publication in a newspaper.

I appreciate your allowing me to testify on this matter and I urge this Committee to pass this bill with one amendment and that amendment is to allow the publication of summons to be posted on a state website.

much Yuriko J. Sugimu

Of BENDET FIDELL YJS:ss

(arv Prepose TO 521-7734 FAX#/EMAIL: CONTACT #. 566-2118/524-0544 1/20/13 DATE ACCOUNT #: 11104 FROM: Star-Advertiser/MidWeek-Legal Advertising Dept FAX: 808-529-4829 Lisa Kaukani (808-529-4344) Email: Ikaukani@staradvertiser.com X Rose Rosales (808-529-4825) Email: rrosales@staradverliser.com (VIOK) Remit Payment to Honolulu Star-Advertiser/Midweek 500 Ala Moana Blvd , 7 Waterfront Plaza, Ste 500 Hanolulu, HI 96813 Thus 1/31, 2/7, 2/14, 2/2/13 PUBLICATION SUMMAN CLASSIFICATION: Paper: Star Advertiser) (Staradvertiser com MidWeek Monster.com Y. 25, SIZE: 2 x (e)npuloo x Affidavit TOTAL COST \$ 2,3920 Proof Enlarged 125%/150%/75% SEE ATTACHED FOR PROOF 429242 AD# AD PROOF *APPROVAL BY* ø Wed [130/13 12 am/bm Correction(s) noted on proof Proof OK as is Date____ б Payment Method (Gircle): X Prepayment: $\overline{\mathcal{V}}$ invoice. P.O.#_ Cneck# PCARD/CC EXP C(D Code CARD HOLDER "Ad will not be released for publication unless payment & signature is received by above data and time** *Signature: Please proof read thoroughly. Oahu Publications, inc. will not be responsible for any errors typographical or otherwise once the proof has heen approved and skined by the reasonar

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

SUMMONS

T0:

Defendant

Defendant

YOU ARE HEREBY NOTIFIED that

, Plaintiff, has filed a Complaint in Civil No. 12-1-1324-05 KKS, against you in the aboveentitled Court, wherein Plaintiff prays for a money judgment for sums due under a Retail Space Lease dated November 18, 2009 and a personal guaranty executed by Millimmuniter in the amount of \$32,067.24 through May 31, 2012, plus additional rent, interest, costs and attorneys' fees, and for other relief.

YOU ARE HEREBY SUMMONED to be and appear in the courtroom of the Honorable Karl K. Sakamoto, in the Kaahumanu Hale, 777 Punchbowl Street, 4th Floor, Honolulu, Hawaii, on MARCH 22, 2013, at 90'clock a.m. or to file an answer or other pleading and serve it before said day upon BENDET FIDELL, AAL, ALC, Plaintiffs attorney, whose address is 710 American Savings Bank Tower, 1001 Bishop Street, Honolulu, Hawaii 96813. If you fail to do so, judgment by default will be taken against you for the relief demanded in the Complaint.

DATED: Honolulu, Hawaii JAN 25 2013.

L. PARALES (SEAL) Clerk of the above-entitled Court (SA429243 61/31, 2/7, 2/14, 2/21/13)

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