STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 2 4 2015

RE: H.B. No. 1326 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 1326 entitled:

"A BILL FOR AN ACT RELATING TO THE PENAL CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase from \$300 to \$750 the threshold value for property or services, theft of which constitutes the offense of theft in the second degree beginning on January 1, 2016; and
- (2) Increase the threshold value annually by two percent of the previous year's threshold value for property or services beginning on January 1, 2017, and on January 1 of each year thereafter.

Your Committee received testimony in support of this measure from the Office of the Public Defender, Community Alliance on Prisons, and two individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Hawaii; Office of the Prosecuting Attorney, County of Kauai; Department of the Prosecuting Attorney, City and County of Honolulu; Kailua Neighborhood Board; ABC Stores; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Retail Merchants of Hawaii; and sixteen individuals.

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Your Committee finds that the last time the threshold value of property or services under the offense of theft in the second degree was increased was 1986, and the prices of consumer items have steadily increased since then. This measure updates the threshold value of property under the offense of theft in the second degree to better reflect the continuing rise in prices of consumer items.

Your Committee notes the concerns raised by the Department of the Attorney General that the automatic two percent annual increase of the threshold value for property or services proposed in this measure may create enforcement and prosecution issues. The annual increases will continue to be adjusted at odd amounts that will not be prescribed under law.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that provides an automatic two percent annual increase of the threshold value for property or services;
- (2) Inserting a threshold value for property or services of \$600 rather than \$750; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1326, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1326, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Judiciary and Labor,

GILBERT S.C. KEITH-AGARAN Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee Referral:		Date: , ,			
HB1326	JDL,	MAW		3/16	/15	
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended 2312		th amendme 311		old F	Recommit 2313	
Members		Aye	Aye (WR)	Nay	Excused	
KEITH-AGARAN, Gilbert S.C. (C)						
SHIMABUKURO, Maile S.L. (VC)		V				
ESPERO, Will						
GABBARD, Mike			/			
IHARA, Jr., Les					V	
THIELEN, Laura H.						
SLOM, Sam				V		
	W. W					
			1			
TOTAL		3			7	
Recommendation: Adopted			Not Adopted			
Chair's or Designee's Signature:						
Distribution: Original Yellow File with Committee Report Clerk's Office			Pink Prafting Agency			

^{*}Only one measure per Record of Votes