

Honolulu, Hawaii

MAR 0 3 2016

RE: S.B. No. 2858 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2858 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION, "

begs leave to report as follows:

The purpose and intent of this measure is to clarify that the State is not subject to a statute of limitations period for claims pursuant to chapter 480, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and Hawaii Association for Justice.

Your Committee finds that Hawaii common law has long recognized that statutes of limitations do not apply to actions initiated by the State. The Legislature codified this longstanding common law rule in 1991. Although section 480-24(b), Hawaii Revised Statutes, contains a tolling provision for claims brought by the State, the codification of the common law rule that the State is not subject to statutes of limitations made the pre-existing tolling language in this section superfluous. Your Committee further finds that the Legislature has made it clear that unless there is a specific designation in statute stating that a statute of limitations applies to actions initiated by the State, none exists. Since no specific designation appears in section 480-24(b), Hawaii Revised Statutes, the repeal of the tolling language in this section is appropriate and necessary.



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Finally, your Committee notes that chapter 480, Hawaii Revised Statutes, relating to monopolies and restraints of trade, is one of the most important statutory tools given to the State to protect the people of Hawaii. This measure preserves the right of the State to seek redress for harm done and deter future bad conduct by persons who would seek to take unfair advantage of Hawaii consumers.

Your Committee has amended this measure by:

- Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) 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 S.B. No. 2858, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2858, S.D. 1.

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

GILBERT S.C. KEITH-Chair



The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary and Labor JDL

Bill / Resolution No.:*	Committee		Da	te: /	,
SB 2858	СРН,	JDL		2/24	[16
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)					
SHIMABUKURO, Maile S.L. (VC)					
GABBARD, Mike		-			
KAHELE, Kaiali'i		/			
KIM, Donna Mercado					
THIELEN, Laura H.		/			
SLOM, Sam					
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TOTAL	_	4			3
Recommendation: . Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original ^t Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes