STAND. COM. REP. NO. 514

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 193 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 193 entitled:

"A BILL FOR AN ACT RELATING TO PROPERTY,"

begs leave to report as follows:

The purpose of this measure is to assist families in Hawaii by amending the state law regarding attachment or execution for real and personal property.

Among other things, this measure:

- (1) Changes the threshold amounts to qualify for attachment or execution exemptions as follows:
 - (A) Real property that is owned by an individual from \$30,000 to a fair market value not exceeding \$275,000; and
 - (B) Various pieces of personal property, including vehicles, to the fair market value as adjusted by the most recent consumer price index;
- (2) Exempts from the attachment of or execution on personal property, one month of child support and spousal support; and

(3) Specifies that exemptions from attachment or execution do not apply to individuals who are delinquent in the payment of income taxes, real property taxes, or a mortgage.

The Democratic Party of Hawaii, Americans for Democratic Action, Hui 'Oia'i'o, Progressive Democrats of Hawaii, Young Progressives Demanding Action, and numerous individuals testified in support of this measure. The Mortgage Bankers Association of Hawaii, Hawaii Financial Services Association, Hawaii Credit Union League, and Hawaii Bankers Association testified in opposition to this measure. The Department of the Attorney General, Department of Taxation, and Collection Law Section of the Hawaii State Bar Association provided comments.

Your Committee has amended this measure by:

- (1) Changing the value cap applicable to an exemption from attachment or execution for personal property from the fair market value of the item as adjusted by the most recent consumer price index up to an aggregate value not exceeding \$5,000; and
- (2) Changing its effective date to July 1, 2112, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 193, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 193, H.D. 1, and be referred to your Committee on Finance.

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

ANGUS L.K. MCKELVEY, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

HSCR 574

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 193	Committee	Referral:	Date:	2/15	/17
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
CPC Members		Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)		/			
2. ICHIYAMA, Linda (VC)		\ \			
3. AQUINO, Henry J.C.					✓ 21 45 11 11 11 11 11 11 11 11 11 11 11 11 11
4. ITO, Ken		✓	,		
5. SAY, Calvin K.Y.			V		
6. TAKAYAMA, Gregg		<i></i>			
7. TODD, Chris		V			
8. YAMANE, Ryan I.					/
9. FUKUMOTO, Beth					
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TOTAL (9)		6	1	0	2
The recommendation is: Adopted					
	If joint referral, did not support recommendation.				
committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					