

Honolulu, Hawaii

APR 09 2021

RE: H.B. No. 1192
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Ways and Means and Judiciary, to which was referred H.B. No. 1192, H.D. 1, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to establish a small dollar installment loan program that offers appropriate consumer protections.

More specifically, this measure:

- (1) Establishes a framework and licensing system for an installment loan program; and
- (2) Repeals the statutory authorization for deferred deposit transactions in the State on January 1, 2022.

Your Committees received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committees received written comments in opposition to this measure from Dollar Financial Group.

Your Committees received written comments on this measure from the Hawaii Financial Services Association.



Your Committees find that consumer protections provided by this measure will ensure that borrowers may obtain loans on reasonable terms, avoid harmful lending practices, and meet basic living expenses.

Your Committees have amended this measure by:

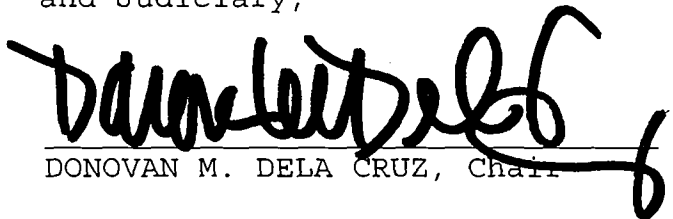
- (1) Amending the definition of "interest", as suggested in testimony from the Department of Commerce and Consumer Affairs, so that the definition is consistent with the definition used in other states that regulate similar installment loan businesses;
- (2) Including clarifying language regarding the annual renewal fees for installment lenders, as also suggested in testimony from the Department of Commerce and Consumer Affairs;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1192, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1192, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Ways and Means
and Judiciary,



KARL RHOADS, Chair

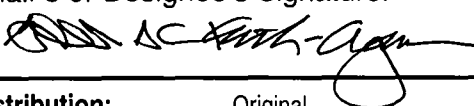


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
<i>HB 1192, HD 1, SD 1</i>	<i>CPN, WAM / JDC</i>	<i>4/6/21</i>
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
DELA CRUZ, Donovan M. (C)	X	
KEITH-AGARAN, Gilbert S.C. (VC)	X	
ENGLISH, J. Kalani		X
INOUE, Lorraine R.	X	
KANUHA, Dru Mamo	X	
KIDANI, Michelle N.	X	
MORIWAKI, Sharon Y.		X
SHIMABUKURO, Maile S.L.		X
TANIGUCHI, Brian T.	X	
WAKAI, Glenn	X	
FEVELLA, Kurt	X	
TOTAL	<i>8</i>	<i>3</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:	
HB 1192, HD1, SD1	CDN, WAM/JDC	4/6/2021	
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____			
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313			
Members	Aye	Aye (WR)	Nay
RHOADS, Karl (C)	✓		
KEOHOKALOLE, Jarrett (VC)	✓		
ACASIO, Laura		✓	
GABBARD, Mike	✓		
KIM, Donna Mercado	✓		
LEE, Chris	✓		
FEVELLA, Kurt	✓		
TOTAL	6	1	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted			
Chair's or Designee's Signature: <i>Karl Rhoads</i>			
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy			

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