

STAND. COM. REP. NO.

1087

Honolulu, Hawaii

MAR 24 2021

RE: H.B. No. 171
H.D. 1
S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 171, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROPERTY CRIMES,"

begs leave to report as follows:

The purpose and intent of this measure is to change the state of mind required for penalties to intentionally, knowingly, or recklessly for certain violations relating to pawnbrokers or secondhand dealers.

Your Committee received testimony in support of this measure from the Honolulu Police Department and three individuals. Your Committee received testimony in opposition to this measure from Kamaaina Loan, Hawaii Pawnbrokers Association, and Hawaii Gold & Silver Company.

Your Committee finds that pawnbrokers and secondhand dealers are required to maintain certain records and make them available to law enforcement to deter the purchase of stolen goods. However, recent efforts to bring dealers into compliance have been frustrated by the high state of mind standard. This measure would incentivize proper record keeping of items purchased by pawnbrokers and secondhand dealers and support enforcement efforts.



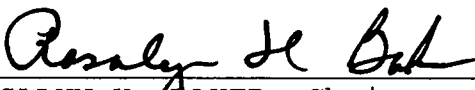
Your Committee notes the concerns raised in testimony that the term "reckless" in the context of pawnbrokers and secondhand dealers is vague and may have unintended consequences. These businesses are required to be licensed by their respective counties to buy secondhand merchandise, make records of government issued identification, fingerprint, and submit information to law enforcement, and the inclusion of the lower "reckless" state of mind standard, in essence, absolves investigators of any burden to establish minimum standards that a crime has been committed. Therefore, amendments to this measure are necessary to address these concerns.

Your Committee has amended this measure by:

- (1) Deleting the term "recklessly" and clarifying that any dealer, or any agent, employee, or representative of a dealer who intentionally or knowingly violates certain provisions, or who refuses to allow the inspection of records, shall be guilty of a misdemeanor; 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 Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 171, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 171, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

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



ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* HB171 HD1	Committee Referral: CPN, JDC	Date: 03.17.2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
MISALUCHA, Bennette E.	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt	/			
TOTAL	7	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Clarence K. Nishihara</div>				
Distribution: <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

*Only one measure per Record of Votes