

STAND. COM. REP. NO. 372

Honolulu, Hawaii

FEB 16 2023

RE: S.B. No. 1438  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 1438 entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose and intent of this measure is to transfer the Office of Consumer Protection from the Department of Commerce and Consumer Protection to the Department of the Attorney General.

Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs, Office of Consumer Protection of the Department of Commerce and Consumer Affairs, and one individual. Your Committee received comments on this measure from Office of the Attorney General and Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that the Office of Consumer Protection is a division of the Department of Commerce and Consumer Affairs whose purpose is to promote fair and honest business practices by investigating alleged violations of consumer protection laws, taking legal action to stop unfair or deceptive practices in the marketplace, and educating the consumer public and businesses regarding their respective rights and obligations.



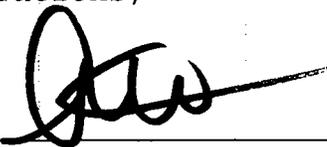
Your Committee has serious concerns about this measure as it could dilute the efficacy of the Office of Consumer Protection if it were placed in a subservient role within the Department of the Attorney General. Your Committee recognizes that the determination of whether the jurisdiction of the Office of Consumer Protection should be within the Department of Commerce and Consumer Affairs or the Department of the Attorney General should be made by the subject-matter Committee under which these departments fall. As such, your Committee respectfully requests your Committees on Commerce and Consumer Protection, Judiciary, and Ways and Means, should they choose to hear this measure, to thoroughly debate whether the placement of the Office of Consumer Protection within the Department of the Attorney General is in the best interest of the function of the agency.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2112, 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1438, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1438, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Judiciary and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Government  
Operations,



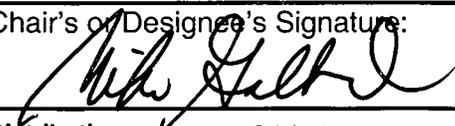
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ANGUS L.K. MCKELVEY, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Government Operations**  
**GVO**

Bill / Resolution No.:* <b>SB 1438</b>	Committee Referral: <b>GVO/CPN/JDC/WAM</b>	Date: <b>2-9-23.</b>		
<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
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.				✓
WAKAI, Glenn	✓			
AWA, Brenton			✓	
<b>TOTAL</b>	<b>3</b>	<b>—</b>	<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes