

STAND. COM. REP. NO.

3

Honolulu, Hawaii

July 30, 2007

RE: H.B. No. 430

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 430 entitled:

"A BILL FOR AN ACT RELATING TO PAYDAY LENDING,"

begs leave to report as follows:

The purpose of this bill is to protect consumers of the check cashing industry. Specifically, this bill, among other things:

- (1) Requires check cashers to be licensed;
- (2) Establishes requirements for check casher payment plans and business records and reports;
- (3) Specifies check casher disclosure requirements, including fees and annual percentage rates; and
- (4) Appropriates funds for a Financial Literacy Education Program for consumers.

The Department of Commerce and Consumer Affairs (DCCA) supported the intent of this measure. The Department of Taxation and a concerned individual submitted comments.

Your Committee requested that this bill be re-referred to allow the Committee on Judiciary to review the implications of this measure within that Committee's scope.

HB430 HSCR CPC HMS 2007-1609



Your Committee respectfully requests the Committee on
Judiciary to review:

- (1) The State Auditor's December 2005 Sunrise Analysis,
entitled "Check Cashing and Deferred Deposit Agreements
(Payday Loans)", as to the regulation of check cashers;
and
- (2) The advisability of the provision of this bill
appropriating funds to DCCA for the establishment of a
Financial Literacy Education Program.

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. 430 and recommends that it pass Second Reading
and be referred to the Committee on Judiciary.

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



ROBERT N. HERKES, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 430		Date: January 24, 2007		
Committee Referral: CPC, FIN <i>Agm</i>		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	✓			
2. McKELVEY, Angus L.K. (VC)	✓			
3. CALDWELL, Kirk	✓			
4. EVANS, Cindy	✓			
5. GREEN, Josh, M.D.	✓			
6. ITO, Ken				✓
7. LUKE, Sylvia	✓			
8. MORITA, Hermina M.	✓			
9. SONSON, Alex M.	✓			
10. SOUKI, Joseph M.	✓			
11. TSUJI, Clift	✓			
12. YAMANE, Ryan I.	✓			
13. YAMASHITA, Kyle T.	✓			
14. MARUMOTO, Barbara C.	✓			
15. THIELEN, Cynthia	✓			
TOTAL	14			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				