

STAND. COM. REP. NO. 616

Honolulu, Hawaii

Fe 416, 2007

RE: H.B. No. 483  
H.D. 1

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

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 483 entitled:

"A BILL FOR AN ACT RELATING TO CHECK CASHING,"

begs leave to report as follows:

The purpose of this bill is to protect the people of Hawaii from unscrupulous financial services by requiring the Department of Commerce and Consumer Affairs (DCCA) to regulate the check cashing industry through licensing requirements.

The Legal Aid Society of Hawaii testified in support of this bill. The Hawai'i alliance for Community Based Economic Development supported the intent of this measure. DCCA submitted comments.

Your Committee still has reservations and concerns regarding the nature of the activities regulated by the license proposed in this measure for check cashing operations. Specifically, it is not clear how a check casher is expected to determine a customer's gross monthly income, nor is it clear how a check casher will be able to determine if a customer is already a party to an existing deferred deposit agreement. Your Committee respectfully requests that the Committee on Finance examine these issues more closely.



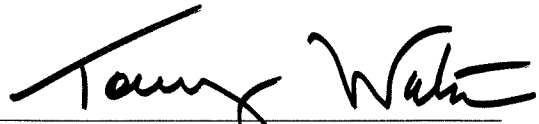
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Your Committee has amended this bill by:

- (1) Enhancing its legal enforceability and clarity. Although the Committee does not doubt the need for check cashers to be of good character, Section 1 has been amended to delete undefined and overly broad reference to a requirement for same. Similarly, although certain types of operations may not be desirable in certain locales, a reference to locations "not in the public interest" has been deleted, as no guidelines were proposed to determine such locations;
- (2) Deleting Section 6 for the purpose of consistency with the intent of this measure. Section 6 would have repealed an exemption currently allowing businesses such as supermarkets or other retailers or merchants to cash checks for their customers for a nominal fee, if any;
- (3) Changing its effective date to January 1, 2050, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 483, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 483, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



TOMMY WATERS, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

**HSCR 616**

**Record of Votes of the Committee on Judiciary**

<b>Bill/Resolution No.:</b> HB 0483		<b>Date:</b> 2/9/07		
<b>Committee Referral:</b> CPC, JUD, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
<b>JUD Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. WATERS, Tommy (C)	/			
2. OSHIRO, Blake K. (VC)	/			
3. CALDWELL, Kirk	/			
4. EVANS, Cindy	/			
5. GREEN, Josh, M.D.	/			
6. ITO, Ken				/
7. LUKE, Sylvia	/			
8. McKELVEY, Angus L.K.				/
9. MORITA, Hermina M.	/			
10. SONSON, Alex M.	/			
11. SOUKI, Joseph M.	/			
12. TSUJI, Clift	/			
13. YAMANE, Ryan I.	/			
14. YAMASHITA, Kyle T.	/			
15. MARUMOTO, Barbara C.	/			
16. PINE, Kymberly Marcos				/
17. THIELEN, Cynthia	/			
<b>TOTAL</b>	14			3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> 				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office				