

Honolulu, Hawaii

March 14, 2008

RE: S.B. No. 2292

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2292 entitled:

"A BILL FOR AN ACT RELATING TO AUTOMATED TELLER MACHINES,"

begs leave to report as follows:

The purpose of this bill is to provide that an agreement to operate or share an automated teller machine (ATM) may not prohibit, limit, or restrict the right of the owner or operator of the ATM to charge a person a transaction fee.

The Hawaii Bankers Association and a concerned individual testified in support of this bill. The Department of Commerce and Consumer Affairs and a concerned individual submitted comments.

Under certain business agreements, non-U.S. ATM cardholders are exempt from ATM transaction fees currently paid by domestic cardholders for the same service. These exemptions in some instances may result in higher ATM fees to offset reduced revenue sources. This bill would allow the cost of ATM services to be subsidized by both domestic and non-U.S. cardholders.

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 S.B. No. 2292 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.



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



ROBERT N. HERKES, Chair



