

STAND. COM. REP. NO.

1100

Honolulu, Hawaii

APR 02 2009

RE: S.C.R. No. 13

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Human Services and Transportation,
International and Intergovernmental Affairs, to which was referred
S.C.R. No. 13 entitled:

"SENATE CONCURRENT RESOLUTION ENCOURAGING STATE AND COUNTY
ACTION TO STIMULATE INDIVIDUAL SAVINGS AND DEVELOPMENT OF
CREDIT AND TO FORMULATE AN INVENTORY OF BANKING SERVICES
AVAILABLE TO LOW-INCOME PERSONS AND THOSE WITH NO CREDIT
HISTORY IN THE STATE,"

beg leave to report as follows:

The purpose of this measure is to encourage:

- (1) The State and the counties take action to stimulate individual savings and development of credit and to formulate an inventory of banking services available to low-income persons and those with no credit history in the State;
- (2) The State and the counties to take steps to accurately identify the unbanked and the underbanked populations in Hawaii; and
- (3) The State and the counties to collaborate with local financial institutions to integrate the unbanked and underbanked populations into the financial mainstream and to encourage local financial institutions to redouble their efforts to recognize and pursue the potentially huge and previously untapped unbanked and underbanked markets.



Testimony in support of this measure was provided by the Department of Commerce and Consumer Affairs, the Hawaii Bankers Association, the Hawaii Credit Union League, VISA, the Hawaii Alliance for Community Based Economic Development (HACBED), and two individuals. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that in the United States, forty million households are financially underserved, comprising about twenty-eight million unbanked individuals and almost forty-five million underbanked individuals. The unbanked consist of diverse groups of people who do not have checking or savings accounts and who remain outside the banking mainstream for many reasons. The underbanked consist of people or businesses that have poor access to mainstream financial services such as banks and so rely upon alternative financial services targeted for the less advantaged, such as check cashers, loan sharks, and pawnbrokers.

Your Committees also find that handling payments through a bank account provides a gateway for households to enter the financial mainstream and become owners of financial assets. Those who own bank accounts are more likely to own other assets, including accounts related to savings, credit, and insurance, while those without financial accounts are less likely to own a home and a car. Consumers without a relationship with a mainstream financial institution also pay high transaction fees for services, such as check cashing, and pay interest rates to purchase items through rent-to-own companies.

As affirmed by the records of votes of the members of your Committees on Human Services and Transportation, International and Intergovernmental Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 13 and recommend that it be referred to the Committee on Commerce and Consumer Protection.



Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Transportation,
International and
Intergovernmental Affairs,

J. Kalani English

J. KALANI ENGLISH, Chair

Suzanne Chun Oakland

SUZANNE CHUN OAKLAND, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

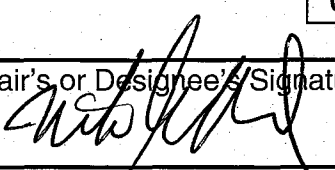
Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* <i>SCR 13</i>	Committee Referral: <i>HMS / TIA, CPN</i>	Date: <i>3-30-09</i>		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	✓			
HEMMINGS, Fred	✓			
TOTAL	<i>3^W4</i>	<i>0</i>	<i>0</i>	<i>0</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Transportation, International and Intergovernmental Affairs
TIA

Bill / Resolution No.:*	Committee Referral:	Date:		
SCR 13	HMS/TIA, CPN	3-30-09		
<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 checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)	✓			
GABBARD, Mike (VC)	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam				✓
TOTAL	4	—	—	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes