

STAND. COM. REP. NO.

2842

Honolulu, Hawaii

MAR 19 2012

RE: H.B. No. 2409
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Public Safety, Government Operations, and Military Affairs, to which was referred H.B. No. 2409 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Director of Commerce and Consumer Affairs to enforce certain federal laws that protect military members and their families from abusive lending practices.

Your Committee received testimony in support of this measure from the Office of the Deputy Assistant Secretary of Defense, the Office of Consumer Protection, The Chamber of Commerce of Hawaii, and Oahu Veterans Council.

Your Committee believes that service members and their families may be particularly vulnerable to unscrupulous lenders who may charge excessive fees and interest rates, make loans without regard to the borrower's ability to repay, refinance a borrower's loans repeatedly over a short period of time without any gain for the borrower, and who may commit outright fraud or deception. This measure allows the Office of Consumer Protection to enforce certain federal laws that protect military members from predatory and unscrupulous lending practices that appear to target military personnel.

Your Committee has amended this measure by amending references to the Military Sentinel program or data-base to the

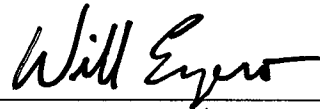
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Military Sentinel Network maintained by the Federal Trade Commission, which is the reference used by the Office of Consumer Protection in testimony.

As affirmed by the record of votes of the members of your Committee on Public Safety, Government Operations, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2409, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety,
Government Operations, and
Military Affairs,



WILL ESPERO, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Public Safety, Government Operations, and
Military Affairs
PGM

Bill / Resolution No.:* HB 2409	Committee Referral: PGM, CPN	Date: 3-13-12		
<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
ESPERO, Will (C)	✓			
KIDANI, Michelle N. (VC)	✓			
BAKER, Rosalyn H.	/			
RYAN, Pohai	/			
SLOM, Sam				✓
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes