

STAND. COM. REP. NO.

2836

Honolulu, Hawaii

MAR 15 2012

RE: H.B. No. 2508
H.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 Commerce and Consumer Protection, to which was referred H.B. No. 2508, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COLLECTION AGENCIES,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify and strengthen enforcement provisions for exempt out-of-state collection agencies and increase fines for violations by all collection agencies regulated under chapter 443B, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

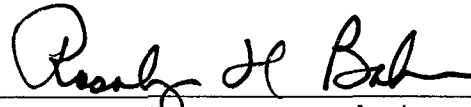
Your Committee finds that the number of exempt out-of-state collection agencies operating in Hawaii has doubled since 2004, while the number of registered collection agencies has remained relatively stable. Additional regulatory provisions are needed to ensure that Hawaii consumers have certain safeguards when contacted by an exempt agency. This measure allows the Department of Commerce and Consumer Affairs to adequately oversee the growing number of exempt out-of-state collection agencies in a manner that protects Hawaii's consumers and preserves the reciprocal benefits of exempt out-of-state collection agencies.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and



purpose of H.B. No. 2508, H.D. 1, and recommends that it pass
Second Reading and be referred to the Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair



