

STAND. COM. REP. NO. 2054

Honolulu, Hawaii

FEB 08 2012

RE: S.B. No. 2394
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 S.B. No. 2394 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 Consumer Protection; United States Department of Defense; Military Officers Association of America, Hawaii Chapter; Oahu Veterans Center; and The Chamber of Commerce of Hawaii.

Your Committee finds that members of our armed forces and their dependents have enough to worry about, including multiple overseas deployments, coping with a spouse's prolonged absence from home, and the lack of an adequate support system while residing on military bases throughout the country. This can lead to a great deal of emotional and financial stress.

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



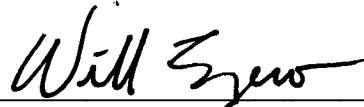
borrower's loans repeatedly over a short period of time without any gain for the borrower, and commit outright fraud or deception.

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 making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 2394, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2394, 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.:* SB 2394	Committee Referral: PGM, CPN	Date: 2/2/12
---	--	------------------------


The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 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: Adopted Not Adopted

Chair's or Designee's Signature:


Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes