

STAND. COM. REP. NO.

**2040**

Honolulu, Hawaii

FEB 07 2012

RE: S.B. No. 2444  
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 Commerce and Consumer Protection, to which was referred S.B. No. 2444 entitled:

"A BILL FOR AN ACT RELATING TO UNIFORM COMMERCIAL CODE  
ARTICLE 9,"

begs leave to report as follows:

The purpose and intent of this measure is to implement amendments to article 9 of the Uniform Commercial Code, as set forth by the Commission to Promote Uniform Legislation.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation. Your Committee received comments on this measure from the Hawaii Bankers Association.

Your Committee finds that article 9 of the Uniform Commercial Code was substantially revised in 1998. In 2010, amendments were proposed that modified the existing article 9 to respond to filing issues and other matters that arose after a decade of experience with the revised article 9.

Your Committee further finds that the amendments contained in this measure provide greater clarity regarding the name of an individual debtor to be provided on a financing statement, improve the filing system for financing statements, and provide greater protection for an existing secured party with a security interest in after-acquired property upon a relocation or merger of its debtor.

2012-0898 SSCR SMA.doc

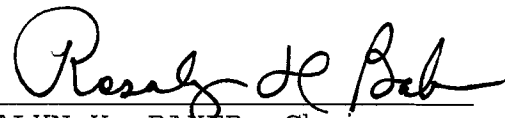


Your Committee notes that this measure will allow Hawaii's version of article 9 of the Uniform Commercial Code to be consistent with article 9 as it has been adopted in other jurisdictions. This consistency is necessary to avoid conflicts and confusion with respect to interstate transactions.

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 Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2444, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2444, S.D. 1, and be referred to the Committee on Judiciary and Labor.

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



ROSALYN H. BAKER, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB 2444</b>	Committee Referral: <b>CPN, JDL</b>	Date: <b>2-3-12</b>		
<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
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood	✓			
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.	✓			
SOLOMON, Malama	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes