

STAND. COM. REP. NO.

232

Honolulu, Hawaii

February 8, 2013

RE: H.B. No. 135

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 135 entitled:

"A BILL FOR AN ACT RELATING TO UNIFORM COMMERCIAL CODE  
ARTICLE 4A,"

begs leave to report as follows:

The purpose of this measure is to clarify the relationship between Article 4A of the Uniform Commercial Code and the federal Electronic Fund Transfer Act.

The Department of Commerce and Consumer Affairs and the Commission to Promote Uniform Legislation testified in support of this measure.

Your Committee finds that Article 4A of the Uniform Commercial Code governs transfers between commercial parties, but does not apply to transfers governed by the federal Electronic Fund Transfer Act. Your Committee also finds that amendments to the federal Electronic Fund Transfer Act, which take effect on February 7, 2013, will place the governance of certain consumer international wire transfers, known as "remittance transfers", under the federal Electronic Fund Transfer Act, regardless of whether or not the remittance transfer is also an electronic funds transfer. This measure provides needed clarification of the relationship between Article 4A of the Uniform Commercial Code and the federal Electronic Fund Transfer Act and closes the gap in the governing law for remittance transfers that are not electronic funds transfers.

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As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 135 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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



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ANGUS L.K. MCKELVEY, Chair



