

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1010
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committees on Judiciary and Labor and Commerce and
Consumer Protection, to which was referred S.B. No. 1010 entitled:

"A BILL FOR AN ACT RELATING TO THE UNAUTHORIZED PRACTICE OF
LAW,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish that an attorney who is not licensed or authorized to practice law in the State commits the unauthorized practice of law when the attorney provides legal services to or for a person in the State;
- (2) Add a definition of "legal services"; and
- (3) Clarify that the unauthorized practice of law does not apply to an attorney providing legal services to an organization in another jurisdiction as in-house counsel or to an affiliated entity or employee of that organization in the State.

Your Committees received testimony in support of this measure from two individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General. Your Committees received comments on this measure from the Judiciary.



Your Committees find that the Hawaii Supreme Court is authorized to regulate the examination, licensure, and discipline of attorneys licensed to practice law in Hawaii. Despite the rules in place to regulate licensed attorneys in Hawaii, issues have arisen concerning the oversight of attorneys who conduct legal services in Hawaii, but are not licensed to practice law in this State. By establishing an offense of unauthorized practice of law, this measure assists in protecting consumers in such situations.

Your Committees recognize the efforts of the stakeholders developing language subsequent to the public hearing on this measure.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the new section added to chapter 605, Hawaii Revised Statutes (HRS), and replacing it with language that amends section 605-14, HRS, that:
 - (A) Allows a person who is not licensed or authorized to practice law in the State to provide legal services on a temporary basis in this State if the attorney provides services in association with or assists a Hawaii licensed attorney or as in-house counsel to an organization in another jurisdiction or to an affiliated entity or employee of that organization in the State; and
 - (B) Requires the Clerk of the Supreme Court to maintain a registry of all attorneys who are not licensed or authorized to practice law in the State, but provide services for a matter that is not being litigated in any court of the State;
- (2) Making conforming amendments to the attorney licensure requirements under section 605-2, HRS;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1010, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1010, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Labor and Commerce and Consumer
Protection,



ROSALYN H. BAKER, Chair

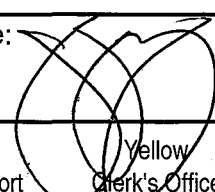


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB1010	JDL/CPN	2/25/15		
<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)				✓
KAHELE, Gilbert	✓			
KIDANI, Michelle N.				✓
NISHIHARA, Clarence K.	✓			
WAKAI, Glenn	✓			
SLOM, Sam				✓
TOTAL	4	0	0	5
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes