

STAND. COM. REP. NO. 42

Honolulu, Hawaii

FEB 09 2015

RE: S.B. No. 758  
S.D. 1

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

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 758 entitled:

"A BILL FOR AN ACT RELATING TO SERVICE BY PUBLICATION,"

begs leave to report as follows:

The purpose and intent of this measure is to specify that the method of service of process for all civil cases under chapter 634, Hawaii Revised Statutes, when personal service is unsuccessful, includes publication in a newspaper of general circulation three times or publication on a state website together with publication in a newspaper of general circulation at least once.

Your Committee received testimony in support of this measure from the Collection Law Section of the Hawaii State Bar Association and Hawaii Bankers Association. Your Committee received testimony in opposition to this measure from the Honolulu Star-Advertiser. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection.

Your Committee finds that under existing law, service of process, when personal service is unsuccessful, requires service by publication in a newspaper of general circulation. According to testimony received by your Committee, the cost for publication of summons in a newspaper in connection with a collection action typically exceeds \$2,000 - a cost that is passed on to the debtor-consumer. In comparison, electronic publication of foreclosure

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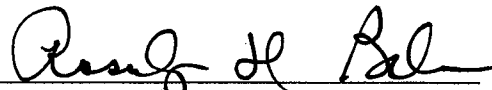
notices of public sale costs \$300 per notice on the Department of Commerce and Consumer Affairs' website. Your Committee further finds that this measure would permit electronic publication in all civil actions, consistent with existing provisions related to publication of foreclosure notices.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2020, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purpose 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. 758, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 758, 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,

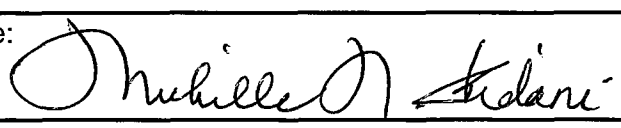


ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

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

Bill / Resolution No.:*	Committee Referral:	Date:		
SB758	CPN, JDL	2-4-15		
<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	✓			
<b>TOTAL</b>	4			1
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