

Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 2324
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2324, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE SERVICE FEES,"

begs leave to report as follows:

The purpose of this measure is to give additional authorization to the Department of Commerce and Consumer Affairs, subject to the approval of the Governor, to decrease all fees or nontax revenues collected by the Department pursuant to Title 25, Hawaii Revised Statutes.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under existing law, the authority of the Department of Commerce and Consumer Affairs (Department) to adjust fees and other nontax revenue collected by the Department is subject to an itemized list. However, this list inadvertently omits a few chapters within the Department's jurisdiction.

Your Committee has heard the concerns raised by the Department that this measure creates a new, standalone requirement that the authority to decrease fees must be subject to the Governor's approval; however, this does not add or expand to the



Governor's current authority to approve all fee increases or decreases. The Department also noted in testimony that there may be unintended consequences associated with the new, standalone requirement.

Your Committee understands these concerns and concludes that the version of this measure, as originally introduced, is preferable, as it captures all existing and future fees collected by the Department and avoids the need to amend the relevant section of existing law whenever the Department's jurisdiction changes.

Accordingly, your Committee has amended this measure by:

- (1) Reverting to the contents of this measure as it was introduced, which expands the authority to increase or decrease fees or nontax revenue, subject to the approval of the Governor, to include all fees collected by the Department of Commerce and Consumer Affairs; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

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. 2324, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2324, H.D. 2.

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



ROY M. TAKUMI, Chair



State of Hawaii
House of Representatives **HSCR 419-20**
The THIRTIETH Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 2324 HD1	Committee Referral: IAC, CPC, FIN	Date: 2/10/20		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	/			
2. ICHIYAMA, Linda (VC)	/			
3. AQUINO, Henry J.C.	/			
4. BELATTI, Della Au	/			
5. CABANILLA ARAKAWA, Rida	/			
6. CACHOLA, Romy M.	/			
7. HAR, Sharon E.	/			
8. KONG, Sam Satoru	/			
9. MIZUNO, John M.	/			
10. ONISHI, Richard H.K.	/			
11. MATSUMOTO, Lauren	/			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature: <u><i>Linda Chizome</i></u>				
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