

Honolulu, Hawaii

, 2022

MAR 22

RE: S.B. No. 2048
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2048, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO UNLAWFUL CHOP SHOP ACTIVITY,"

begs leave to report as follows:

The purpose of this measure is to establish the misdemeanor offense of unlawful chop shop activity.

Your Committee received testimony in support of this measure from the Maui County Council.

Your Committee finds that chop shops deal in buying and reselling stolen vehicles and parts, usually involving the storing of stolen vehicles for future sales, stripping vehicles for their parts, obscuring or changing identifying features, reassembling vehicles and selling them, and selling off the parts. In many cases, a chop shop may operate under a legitimate business front, such as a mechanic, auto body, or auto parts shop that stocks legitimate parts while also dealing in stolen parts on the side or behind the scenes. In some cases, the business owner may even be unaware that employees or colleagues are using the facility for chop shop activities.



Your Committee further finds that there is no existing statute covering the criminal misconduct of chop shop activity, although numerous auto theft investigations have shown that chop shop activity was a central part of the criminal misconduct. This measure will impose criminal penalties on persons who partake in unlawful chop shop activity.

Your Committee has amended this measure by:

- (1) Specifying that unlawful chop shop activity is a class C felony offense, rather than a misdemeanor offense; and
- (2) Specifying that each separate act committed constitutes a separate offense of unlawful chop shop activity.

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 S.B. No. 2048, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2048, S.D. 1, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

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



AARON LING JOHANSON, Chair



