

STAND. COM. REP. NO. 1086

Honolulu, Hawaii

MAR 03, 2023

RE: H.B. No. 642
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 642, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require check cashers to report suspected financial exploitation of elders and vulnerable adults in relation to check cashing;
- (2) Authorize a check casher to refuse to cash a check in situations of suspected financial exploitation; and
- (3) Provide immunity for check cashers acting in good faith.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs' Office of Consumer Protection, Department of Commerce and Consumer Affairs' Department of Financial Institutions, Hawaii Credit Union League, and Hawaii Bankers Association.

Your Committee finds that the financial exploitation of elders, particularly exploitation through check cashing and money

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order schemes, is an increasingly common form of elder abuse and can result in devastating consequences for its victims. This measure is intended to address the financial exploitation of the State's elderly by requiring check cashers to report suspected financial exploitation of elders and authorizing check cashers to refuse to cash a check in situations of suspected financial exploitation.

Your Committee has amended this measure by:

- (1) Exempting persons authorized to engage in business as a bank, trust company, savings bank, savings and loan association, financial services loan company, or credit union under the laws of the United States, any state or territory of the United States, or the District of Columbia; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 642, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 642, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



