

Honolulu, Hawaii
Feb 29, 2008

RE: H.B. No. 2553
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2553, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PAWNBROKERS AND SECONDHAND DEALERS,"

begs leave to report as follows:

The purpose of this bill is to ensure the timely reporting of pawnbroker and secondhand dealer transactions to law enforcement by requiring daily electronic reporting of these activities.

The State of Hawaii Organization of Police Officers supported this bill. The Honolulu Police Department supported this bill with amendments. The Hawaii Pawnbrokers Association, Maui Loan, Inc., Ewa Beach Buy and Sell, Paradise Loan and Jewelry, Gold Hawaii Pawn, and numerous concerned individuals opposed this measure. Entertainment Merchants Association and a concerned individual submitted comments.

Your Committee has amended this bill by inserting an appropriation section to pay for the costs incurred by the provisions of this bill and specifying that if this bill is enacted into law with the appropriation section, the \$1.50 per-transaction administrative fee (Administrative Fee) assessed on dealers shall not be enforceable. Your Committee realizes that the internal deadline for House measures containing appropriations has already passed. However, in the event that this measure advances forward in the legislative process and, eventually, is



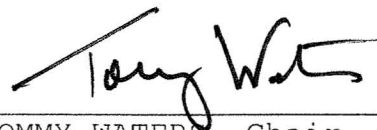
referred to a Committee on Conference, your Committee respectfully requests that your Committee on Finance be added to the Committee on Conference to participate in the discussions regarding the appropriation.

In addition, your Committee has further amended this measure by:

- (1) Making the Administrative Fee discretionary, rather than mandatory;
- (2) Specifying that timely and lawful notice must be given to all pawnbrokers prior to the date of implementation of the electronic transaction reporting system;
- (3) Changing its effective date to January 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2553, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2553, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



TOMMY WATERS, Chair



