

March 23, 2021

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Honorable Karl Rhoads, Chair
Honorable Jarrett Keohokalole, Vice Chair
Senate Committee on Judiciary

Re: HB 352- RELATING TO SECONDHAND DEALERS.

Dear Chair Rhoads, Vice Chair Keohokalole & Committee Members,

On behalf of the Hawaii Pawnbrokers Association, we respectfully OPPOSE HB 352 and ask that you DO NOT PASS this Bill.

This Bill seeks to apply Hawaii Revised Statutes (“HRS”) Chapter 486M Pawnbrokers and Secondhand Dealers’ laws to people that operate automated recycling kiosks.

Automated recycling kiosks are a completely different type of business and industry compared to pawnbrokers and secondhand dealers. Recycling in Hawaii is governed by other statutes such as HRS Chapter 339, HRS Chapter 342I, HRS Chapter 342G, HRS Chapter 445-231 and others. **Furthermore, there are no automated recycling kiosks in Hawaii.**

Having automated recycling kiosks be governed by HRS Chapter 486M, which are pawnbrokers and secondhand dealers’ laws, is very confusing and will result in different industries being governed by HRS Chapter 486M and will distort HRS Chapter 486M. The Honolulu Police Department opposes this Bill as well.

Majority of those who support this Bill do so because they stand to benefit financially if this Bill is passed because they will be able to promote and sell their products in Hawaii.

For the foregoing reasons, we respectfully request that you do not pass HB 352.

Very truly yours,

/s/ Jonathan E. Spiker

Jonathan E. Spiker
for
Hawaii Pawnbrokers Association

Kamaaina Loan ~ Cash for Gold

March 25, 2021

Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice-Chair
And Members of Senate Committee on Judiciary

FROM: Richard Dan, Kamaaina Loan ~ Cash for Gold

SUBJECT: **HB 352, HD1, SD1 - RELATING TO SECONDHAND DEALERS**

Dear Chair Rhoads, Vice-Chair Keohokalole, and Members of the Senate Committee on Judiciary,

I OPPOSE HB 352, HD1, SB1 - RELATING TO SECONDHAND DEALERS.

My name is Richard Dan, and I have operated Hawaii's oldest pawn shop and second-hand dealership in the State for over 4 decades. I am writing concerning the proposed "**automated kiosk**" legislation.

I am generally in favor, but I and others in the business feel it should be a separate chapter and not lumped in with Section 486, which could be confusing.

As far as the text goes, I suggest the following changes:

- 1) Be sure there is clear language that provides assurances that inter-island internet transactions are allowed; and that pawn transactions, and purchases of second-hand goods are allowed. In other words, ensure that my Maui-based business is legally allowed to operate a kiosk or internet transaction (while providing social distancing) in another county.
- 2) While the requirement for digital records of goods is all right, please delete the requirement for digital records of customer's property being offered for sale or loan. The reason for this is that the technology is not yet good enough.

If I can be of assistance in crafting more equitable, accountable and safe legislation as it relates to this bill, please contact me at Tel: (808) 242-5555.

Sincerely,

Richard Dan

Richard Dan - Manager



10121 Barnes Canyon Way, San Diego CA 92101

DATE: March 24, 2021

TO: Senator Karl Rhoads, Chair
Senator Jarrett Keohokalole, Vice Chair
Members of the Committee on Commerce and Consumer Protection

FR: Bonnie Garcia, Director of Legislative Affairs, ecoATM

RE: HB352 SD1 Relating to Secondhand Dealers. - **SUPPORT**

We **STRONGLY SUPPORT HB352 SD1** to provide your constituents increased access to companies aligned with Sustainable Hawaii Initiatives that reduce electronic waste and work towards creating a greener planet.

This bill is intended to only address automated kiosks that buy used consumer handheld cell phones and strengthens consumer protections to bring the State of Hawaii in alignment with other states that have already adopted legislation to recognize the use of automated kiosks. Because of the current hold requirements, **Hawaii is the only state in the nation where automated kiosk services are not offered.**

As a member of the high tech community, we are one of several companies with a mission to prevent toxic waste from polluting our environment by encouraging proper recycling of used electronic devices. Since our inception, we have built trusted relationships with more than 1,000+ law enforcement agencies and local governments and partner with major retailers to operate greater than 4,300+ kiosks inside malls, major retail stores and grocers across the United States and Europe. **We have purchased greater than 28 million devices and diverted approximately 7 million pounds of electronic waste from local landfills at no cost to consumers or government agencies.**

Existing law mandates lengthy in-county storage of purchased items - a provision that creates costly and logistical challenges as the storage space within an automated kiosk is limited. With minor amendments, automated kiosks would be able to operate as they do in all other states and countries that allow for secure storage of items off-site during the extended holding period.

To address stakeholder concerns, the language has been amended to better define automated recycling kiosks, restricts purchases to previously owned consumer hand-held electronic cellular phones and requires installation within a secure retail space. Additionally, the bill outlines that the following technological functions must be employed for each purchase:

- 1) Verifies a seller's identification through a combination of technology within the kiosk and remote examination of a government-issued identification by a live representative during each transaction;
- 2) Securely stores articles accepted by the kiosk;
- 3) Records images of the seller and the articles accepted during the transaction;
- 4) Possesses computerized record-keeping and transmittal capabilities;
- 5) Only accepts for recycling hand-held electronic **cellular phone** devices;
- 6) Electronically transmits transaction records to law enforcement within twenty-four hours from when the article was purchased; and**
- 7) Can be remotely opened upon request by law enforcement during normal business hours."**

To ensure the prompt return of items requested by law enforcement, in Section 2, language has been added to clarify that regardless of electronic reporting, the hold period will remain thirty calendar days. In addition, any item requested by a law enforcement agency will be returned at no cost within five business days.

According to GSMA INTELLIGENCE, there are 5.25 Billion people that have a mobile device in the world - equivalent to 67.04% of the world's population. Rapid changes in technology has increased access to hand held wireless electronic devices and reduced dependence on home based computers and phones. Older devices quickly lose value and sit in drawers as there are few solutions to address the environmental damage caused by improper disposal. **Providing your constituents, a safe and secure location inside retail stores allows for proper disposal and encourages spending the proceeds received to buy local goods and services.**






We respectfully urge your support to recognize new technology and to allow for participation of businesses that seek to responsibly address electronic waste and the impacts on our environment.

Respectfully Submitted,

Bonnie Garcia
Director of Legislative
EcoATM-Gazelle
760-409-7350
[LinkedIn.com/bonniegarcia](https://www.linkedin.com/in/bonniegarcia)



REPORTS THAT WE PROVIDE TO LAW ENFORCEMENT

ecoATM, Inc. 10121 Barnes Canyon Road, San Diego, California 92121			
SECOND HAND DEALER REPORT			
C U S I T I O N O F M O D E R	NAME		TRANSACTION DATE 1/8/2017
	SEX	HAIR	LOAN/BUY NUMBER K03300E
	EYES	HEIGHT	TIME 11:09:02 AM
	WEIGHT	BIRTH DATE	TRANSACTION BUY - \$110.00
D R I V E R S	DRIVERS LICENSE NO. OR OTHER I.D.		STATE CA
	ADDRESS/CITY/STATE		YEAR OF EXPIRATION
S T O R E I N F O	LICENSE NUMBER 37112090	POLICE DIVISION SDPD	
	NAME University Town Center		ADDRESS/CITY/STATE 4545 La Jolla Village Drive/San Diego/California/92122
I T E M	ARTICLE Cell Phone		COLOR Grey
	BRAND NAME Apple		MODEL iPhone 6s Plus 16GB T-Mobile A1687
	IMEI/MEID		SERIAL NUMBER
	PROPERTY IMAGES  		
I D I M A G E			T P H R U I M N B T
			
W I E M B A C G A E M S			
	SIGNATURES CONSUMER SIGNATURE		CONSUMER VERIFIED BY FUSSELL LABAO

Details of the seller - HRS §486M-2 (1) & (2)

Directly taken from ID and verified by humans

Seller's Info

Time, Date, Location - HRS §486M-2 (3)

Amount paid - HRS §486M-2 (8)

Transaction Data

Color photos of front and back of device

Description of article - HRS §486M-2 (6)

Device Info

Government Issued ID-card is required - HRS §486M-2 (5)

Thumb or fingerprint is taken, if permitted by law

Seller ID Thumbprint

Multiple high-resolution images of the seller

Signature of the seller - HRS §486M-2 (4)

Images



LATE

**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
March 25, 2021**

Re: HB 352 HD1 Relating to Secondhand Dealers

Good morning Chair Rhoads and members of the Senate Committee on Judiciary. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

We **SUPPORT** HB 352 HD1 SD1 Relating to Secondhand Dealers. This measure clarifies that the secondhand dealers law applies to a secondhand dealer's operation of an automated recycling kiosk that only accepts handheld electronic devices for recycling; specifies the retention requirements for secondhand dealers that operate an automated recycling kiosk; and is effective 1/1/2022.

It is our understanding that 49 states have already adopted legislation to recognize the use of automated kiosks to buy used wireless devices for the purpose of recycling. While we understand there may be concern that stolen property would be accepted, there are strong measures these types of kiosks take that would prevent this to ensure that only NON-STOLEN property is accepted.

In other states, these types of recycling kiosks help to reduce e-waste and divert it from entering the local landfills. The kiosks are often located within the stores of its retail partners, which provides safe access for consumers and increased foot traffic for the retailer. Passage of this measure will support Hawaii's triple bottom line, in that it will be mutually beneficial to the consumers, the environment, and the businesses.

Mahalo again for this opportunity to testify.