

Honolulu, Hawaii
February 12 2014

RE: H.B. No. 712
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection and Commerce, to which was referred H.B. No. 712 entitled:

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

begs leave to report as follows:

The purpose of this measure is to authorize the parent or legal guardian of a minor child to place a security freeze on the minor child's credit report.

Consumer Data Industry Association testified in support of the intent of this measure.

Your Committee has amended this measure by adopting the recommendations of the Consumer Data Industry Association to protect incapacitated persons as well as minor children. As amended, this bill, among other things:

- (1) Allows a consumer credit reporting agency to place a security freeze on the record of a protected consumer (a minor or incapacitated person) upon the request of the protected consumer's representative;
- (2) Allows a consumer credit reporting agency to create a record for protected consumers under certain circumstances;



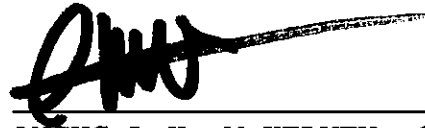
- (3) Specifies what constitutes the record of a protected consumer;
- (4) Prohibits consumer credit reporting agencies from charging a fee for performing any of the services related to security freezes for protected consumers, but allowing a reasonable fee not to exceed \$5 for each placement or removal of a security freeze under certain circumstances;
- (5) Specifies when the use of a protected consumer's credit report or record is allowed;
- (6) Changes the effective date of this measure to July 1, 2112, to encourage further discussion; and
- (7) Makes technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that a question was raised as to why the age of a protected consumer should be under the age of 16 instead of 18, which is the age of majority. Upon further review, your Committee has found that persons who are at least 16 years old, but under the age of 18, can emancipate themselves through judicial decree. Accordingly, your Committee used the age of 16 to delineate the age of a minor. However, your Committee respectfully requests that the Committee on Judiciary further examine this issue.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 712, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 712, H.D. 1, and be referred to the Committee on Judiciary.



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



ANGUS L.K. MCKELVEY, Chair



State of Hawaii
 House of Representatives
 The Twenty-seventh Legislature

HSCR 356-14

Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.: HB 712	Committee Referral: CPC, JUD	Date: 01/27/14
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. KAWAKAMI, Derek S.K. (VC)	/			
3. BELATTI, Della Au				/
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. CREAGAN, Richard	/			
7. EVANS, Cindy	/			
8. HAR, Sharon E.				/
9. ITO, Ken	/			
10. LEE, Chris	/			
11. NAKASHIMA, Mark M.	/			
12. OSHIRO, Marcus R.	/			
13. TSUJI, Clift	/			
14. YAMANE, Ryan I.	/			
15. MCDERMOTT, Bob	/			
16. THIELEN, Cynthia				/
TOTAL (16)	13			3

The recommendation is: Adopted Not Adopted
 If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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