

STAND. COM. REP. NO.

845

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 925
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 925, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify that the secondhand dealers law applies to a secondhand dealer's operation of an automated recycling kiosk that purchases previously owned consumer hand-held electronic devices.

Your Committee received testimony in support of this measure from the Maui Police Department, Retail Merchants of Hawaii, TechNet, and ecoATM. Your Committee received testimony in opposition to this measure from the Honolulu Police Department and Hawaii Pawnbrokers Association.

Your Committee finds that electronic waste kiosks, or automated recycling kiosks, provide a resource for consumers to sell their old cell phones, which are then collected and recycled or refurbished. Automated recycling kiosks have modernized electronic waste recycling and have diverted more than seven million pounds of electronic waste from local landfills across the country. Your Committee further finds that existing law requires secondhand dealers to store property in the county for a certain holding period, which creates a barrier for the operators of the automatic recycling kiosks, due to the limited space within the



kiosk, the safety risks of long storage time requirements, and other related logistical issues. Your Committee additionally finds that, although it may not be practicable for operators of automated recycling kiosks to store cellular phones in the county in which the phones were received or purchased for the full retention period, a complete exemption from the in-county storage requirement for cellular phones received or purchased by automated recycling kiosks could present an undue obstacle to law enforcement in cases of theft.

Your Committee has amended this measure by:

- (1) Clarifying that the previously owned consumer hand-held electronic devices purchased by automated recycling kiosks are limited to cellular phones;
- (2) Clarifying that articles required to be retained by operators of automated recycling kiosks are previously owned consumer hand-held electronic cellular phone devices;
- (3) Requiring cellular phones received or purchased by an automated recycling kiosk to be retained in the county in which they were received or purchased for no less than the initial five business days of the retention period and at an alternate business location outside the county for a total period of thirty days; and
- (4) Making technical, nonsubstantive amendments for the purposes of 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 S.B. No. 925, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 925, S.D. 2.



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

Karl Rhoads

KARL RHOADS, Chair

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 925 SD1	CPN, JDC	03/03/2021		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
KEOHOKALOLE, Jarrett (VC)	✓			
ACASIO, Laura				✓
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
LEE, Chris	✓			
FEVELLA, Kurt	✓			
TOTAL	6	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes