

Honolulu, Hawaii

April 5, 2006

RE: S.B. No. 2143
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2143, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS,"

begs leave to report as follows:

The purpose of this bill is to establish a system of licensure for money transmitters and to prohibit money transmissions from being used to facilitate illegal activities.

The Department of Commerce and Consumer Affairs, Prosecuting Attorney, Hawaii Bankers Association, ILWU Local 142, Laborer's International Union of North America, Local 368, Philippine National Bank - Honolulu Agency, Non-Bank Funds Transmitters Group, and a concerned individual supported this bill. The Hawaii Financial Services Association and Hawaii Credit Union League supported the intent of this measure.

Your Committee wishes to acknowledge the suggestion by the Non-Bank Funds Transmitters Group that cash, interest-bearing stock and bonds, notes, debentures, or other obligations be allowed to meet the requirement of a security device, rather than be considered in lieu of a security device. Additionally, your Committee believes it may be prudent to allow the Commissioner of Financial Institutions to adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, to implement this measure.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2143, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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



DWIGHT TAKAMINE, Chair



