

STAND. COM. REP. NO.

296

Honolulu, Hawaii

FEB 14 2007

RE: S.B. No. 1397

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred S.B. No. 1397 entitled:

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

begs leave to report as follows:

The purpose of this measure is amend and update chapter 489D,
Hawaii Revised Statutes (HRS), governing the licensing and
regulation of money transmitters, in order to address and remedy
inadvertent errors or omissions in that chapter as originally
enacted during the 2006 Regular Session.

This measure also specifically adds foreign banks that are
licensed under the laws of the United States or any other state to
the list of financial institutions that are exempt from chapter
489D, HRS.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs. The Hawaii
Financial Services Association provided comments on this measure.

Your Committee finds that this measure contains primarily
housekeeping amendments that will enhance and strengthen the safe
and secure operation of the money transmitter industry and protect
the public interest.

As affirmed by the record of votes of the members of your
Committee on Commerce, Consumer Protection, and Affordable Housing
that is attached to this report, your Committee is in accord with
the intent and purpose of S.B. No. 1397 and recommends that it

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pass Second Reading and be referred to the Committee on Judiciary and Labor.

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



BRIAN T. TANIGUCHI, Chair



