

Honolulu, Hawaii

Feb 14, 2008

RE: H.B. No. 3088

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred H.B. No. 3088 entitled:

"A BILL FOR AN ACT RELATING TO RESIDENTIAL MORTGAGE
PRACTICES,"

beg leave to report as follows:

The purpose of this bill is to enhance the regulation of
mortgage brokers and solicitors by replacing the existing law
regulating these entities with a new law providing for more
specialized regulation by the Division of Financial Institutions
of residential mortgage brokers, residential mortgage lenders, and
residential loan originators.

The Department of Commerce and Consumer Affairs (DCCA)
testified in support of this bill. The Hawaii Financial Services
Association, First Hawaiian Bank, and Primerica Financial Services
Home Mortgages, Inc., supported the intent of this measure. The
Mortgage Bankers Association of Hawaii and numerous concerned
individuals opposed this bill.

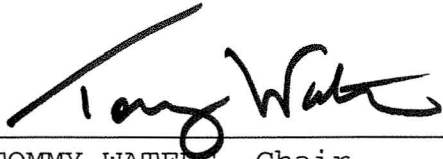
Your Committees note that H.B. No. 2408 has the similar
purpose of improving the regulation of mortgage brokers and
solicitors, albeit through a different approach that your
Committees have decided to pursue at this time. However, H.B. No.
2408 has not been referred to the Committee on Finance and lacks
an appropriation that may be necessary to fund DCCA's
administration of the provisions of that bill.



Accordingly, your Committees have amended this bill by replacing its contents with an appropriation for DCCA to administer and enforce the provisions of H.B. No. 2408 regulating mortgage brokers and solicitors.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3088, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3088, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Consumer
Protection & Commerce and
Judiciary,



TOMMY WATERS, Chair



ROBERT N. HERKES, Chair



