

Honolulu, Hawaii

March 19, 2008

RE: S.B. No. 3008
S.D. 2

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 S.B. No. 3008, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE CODE OF FINANCIAL
INSTITUTIONS,"

beg leave to report as follows:

The purpose of this bill is to streamline and update the Code
of Financial Institutions by eliminating obsolete requirements and
improving the procedures for the licensing and regulation of
financial institutions in Hawaii by the Department of Commerce and
Consumer Affairs. Among other things, this measure:

- (1) Requires financial services loan companies to
conspicuously display their licenses;
- (2) Addresses temporary closures of Hawaii financial
institutions during emergencies;
- (3) Clarifies the authority of a person to serve as a
trustee or trust company;
- (4) Clarifies how prepayment penalties are calculated;
- (5) Clarifies when the Commissioner of Financial
Institutions may examine a financial institution holding
company; and

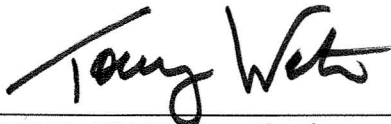


- (6) Places a Hawaii licensed foreign bank on equal footing with a Hawaii state-chartered financial institution when relocating its place of business less than a mile from its existing location.

The Department of Commerce and Consumer Affairs and Hawaii Financial Services Association testified in support of this bill.

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 S.B. No. 3008, S.D. 2, and recommend that it pass Second Reading 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



