

STAND. COM. REP. NO.

2825

Honolulu, Hawaii

FEB 29 2008

RE: S.B. No. 3009

S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committees on Judiciary and Labor and Ways and Means, to which was referred S.B. No. 3009, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose of this measure is to amend the Money Transmitters Act, (chapter 489D, Hawaii Revised Statutes) to effectively regulate the money transmitters industry and to enhance protection of consumers.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs and the Law Offices of Marvin S.C. Dang, LLLC.

Your Committees find that money transmitters sell payment instruments, such as money orders, or receive money for transmission to other locations within the United States or overseas. Chapter 489D, Hawaii Revised Statutes, requires money transmitters to be licensed and in compliance beginning on July 1, 2007. Your Committees further find that there are currently over forty licensed money transmitters in the State.

Your Committees have amended this measure by;

- (1) Clarifying that fees collected by the Division of Financial Institutions, including renewal, application, license, and examination fees, cannot be changed by the Commissioner of Financial Institutions (Commissioner)

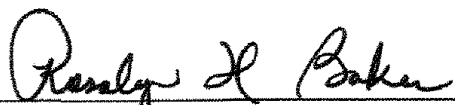


through the rulemaking process of chapter 91, Hawaii Revised Statutes;

- (2) Replacing the term 'maximum' with 'aggregate' in section 489D-10, Hawaii Revised Statutes, for clarification purposes;
- (3) Revising the amount the Commissioner can charge for an examination fee to sixty dollars;
- (4) Authorizing the Commissioner to charge the money transmitter additional amounts for travel, per diem, and other reasonable expenses;
- (5) Amending the effective date to July 1, 2050, for purposes of facilitating further discussion and clarification; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3009, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 3009, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Labor and Ways and Means,



ROSALYN H. BAKER, Chair



BRIAN T. TANIGUCHI, Chair



