

STAND. COM. REP. NO. 609

Honolulu, Hawaii

Feb 20, 2009

RE: H.B. No. 1071
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1071, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS,"

begs leave to report as follows:

The purpose of this bill is to establish within the Department of Commerce and Consumer Affairs (DCCA) a licensure and regulation system over mortgage servicers of residential mortgage loans secured by real property located in Hawaii.

The DCCA and Legal Aid Society of Hawaii testified in support of this bill with amendments. The Hawaii Financial Services Association supported the intent of this measure.

Your Committee has amended this bill by:

- (1) Blanking out the amount of the license application and renewal fee; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Finance consider and determine appropriate fee amounts. Your Committee also notes DCCA's concerns raised in their testimony that the Division of Financial Institutions may be a more appropriate division to oversee this program given its staff of

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experienced financial institution examiners. Your Committee finds it within the discretion of the Director of the DCCA to determine the appropriate division under which this program should be placed. Your Committee on Finance, however, may wish to address this issue when it considers this bill.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1071, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1071, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



