

SB 2023



Mortgage Bankers Association of Hawaii
P.O. Box 4129, Honolulu, Hawaii 96812

February 17, 2010

The Honorable Rosalyn Baker, Chair and
Members of the Senate Committee on
Commerce and Consumer Protection
State Capitol, Room 229
Honolulu, Hawaii 96813

Re: Senate Bill 2023 Relating to Residential Real Property

Dear Chair Baker and members of the Senate Committee on Commerce and Consumer Protection:

I am Rick Tsujimura representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of real estate lenders in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, and other financial institutions. The members of the MBAH originate the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation, it is related only to mortgage lending.

The MBAH opposes Senate Bill 2023 Relating to Residential Real Property. It only covers Hawaii banks and financial institutions licensed under HRS 412. Hawaii banks and financial institutions are only 35% of the market. It unfairly burdens us with additional paperwork for consumers who may not qualify and it does not address the other 65% of the lenders who originate loans in this state.

We feel it's the State's responsibility to market this program and make sure every single possible/probable federal mortgage credit (MCC) candidate thoroughly understands all of the moving parts of the MCC program.

Thank you for the opportunity to present this testimony.



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Presentation to the Senate Committee on Commerce & Consumer Protection

Wednesday, February 17, 2010, at 9:15 am, Conf Rm 229

Testimony for SB 2023 Relating to Residential Real Property

TO: The Honorable Rosalyn H. Baker, Chair
The Honorable David Y. Ige, Vice Chair
Members of the Senate Committee on Commerce & Consumer Protection

My name is Neal Okabayashi of First Hawaiian Bank testifying for the Hawaii Bankers Association. We oppose SB 2023 because it only affects state chartered banks and credit unions. Thus, it creates a burden on one segment of residential mortgage lending industry and not others because it applies only to state chartered financial institutions. We estimate, based on recorded data, that two-thirds of the residential mortgages in 2009 were made by those that will not be subject to this law.

Thank you for this opportunity to testify and I would be happy to answer any questions you may have.