

Honolulu, Hawaii

March 20, 2012

RE: S.B. No. 2761
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2761, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS,"

begs leave to report as follows:

The purpose of this bill is to establish a more flexible fee structure to reflect changes in the regulatory environment and the ongoing monitoring of the financial-services industry.

The Department of Commerce and Consumer Affairs supported this bill. The Hawaii Financial Services Association opposed this measure.

Your Committee has amended this bill by:

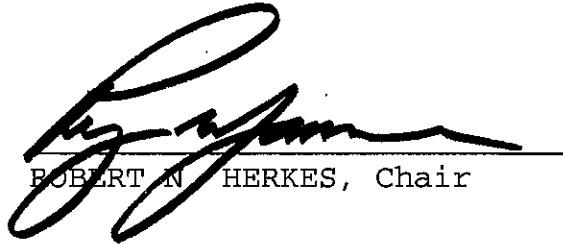
- (1) Eliminating the authority of the Commissioner of Financial Institutions (Commissioner) to establish, increase, decrease, or repeal various fees by rule;
- (2) Modifying the amounts and scopes of various fees to be charged by the Commissioner;
- (3) Changing its effective date to July 1, 3000, to encourage further discussion; and



- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

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 S.B. No. 2761, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2761, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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



ROBERT N. HERKES, Chair



