

STAND. COM. REP. NO.

2623

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2762  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2762 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to increase the protection of consumers who use money transmission services by authorizing the Commissioner of Financial Institutions to require businesses and persons conducting money transmissions to register with a national organization. This measure also increases money transmitter licensing fees to reflect regulatory expenses.

Your Committee finds that there is the potential for money transmitters to defraud consumers by not transmitting the deposited money to the requested location. Some money transmitters also may be unknowingly laundering money due to ignorance of the law. Your Committee finds that increased regulation of money transmitters is appropriate and that increasing licensing fees will offset the expenses incurred by the Division of Financial Institutions due to the increased regulation.

Your Committee has amended this measure by:

- (1) Changing "money transmitter" and "licensed money transmitter" to "licensee" for clarity and consistency with the definitions in section 489D-4, Hawaii Revised Statutes;

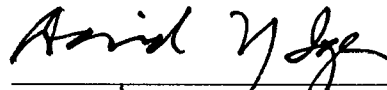
SB2762 SD1 SSCR LRB 12-1850.doc



- (2) Changing "Nationwide Mortgage Licensing System" to "Nationwide Mortgage Licensing System and Registry" to reflect the organization's full name;
- (3) Changing the effective date to July 1, 2050, to promote further discussion; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2762, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2762, S.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2762	CPN, WAM	2-24-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne		✓		
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.	✓			
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam			✓	
<b>TOTAL</b>	12	1	1	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
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\*Only one measure per Record of Votes