

LATE



1654 South King Street
Honolulu, Hawaii 96826-2097
Telephone: (808) 941.0556
Fax: (808) 945.0019
Web site: www.hcul.org
Email: info@hcul.org



Testimony to the Senate Committee on Commerce and Consumer Protection
Tuesday, March 13, 2012

Testimony in Opposition to HB 2501 HD1, Relating to Mortgage Loan Origination

To: The Honorable Rosalyn Baker, Chair
The Honorable Brian Taniguchi, Vice-Chair
Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 81 Hawaii credit unions, representing approximately 811,000 credit union members across the state. We are in opposition to HB 2501 HD1, Relating to Mortgage Loan Origination.

While we fully understand the current situation regarding mainland mortgage loan servicers, and the many abuses that have occurred, credit unions have not been guilty of these offenses. Hawaii's credit unions have a long history of serving their members to the best of their ability, always keeping in mind the credit union philosophy of "people helping people". While we have no objection to the provisions of this bill that would reflect current federal standards, we do object to the removal of the exemption for credit union service organizations. On page 10, lines 18-20 of the bill, "a subsidiary of an insured depository institution regulated by a federal banking agency" is stricken. While we understand that this change is probably made to require bank-subsidized servicers to register, we feel that credit unions service organizations should remain exempt.

Thank you for the opportunity to testify in opposition.