



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

February 29, 2012

The Honorable Marcus Oshiro, Chair
The Honorable Marilyn B. Lee, Vice Chair
Members of the House Committee on Finance
State Capitol, Room 308
Honolulu, Hawaii 96813

Re: House Bill 2501 Relating to Mortgage Loan Origination

Chair Oshiro, Vice Chair Lee, and Members of the House Committee on Finance:

I am Mark James 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 supports House Bill 2501 Relating to Mortgage Loan Origination. The measure seeks to raise some fees, but we understand that it is necessary for the Division of Financial Institutions to recover its costs and expenses. Despite the hard economic times, we believe the increases are warranted.

Thank you for the opportunity to present this testimony.

MARK JAMES
President, Mortgage Bankers Association of Hawaii



HOUSE COMMITTEE ON FINANCE
TESTIMONY IN OPPOSITION OF
HB 2501 RELATING TO MORTGAGE LOAN ORIGINATION

Testimony of
Jodie Tanga, President
Hawaii Association of Mortgage Brokers
Wednesday, February 29, 2012, 10:00 a.m.
Conference Room 308

Chair Marcus Oshiro, Vice-Chair Marilyn Lee and members of the Committee:

The Hawaii Association of Mortgage Brokers' ("HAMB") comments are limited to the proposed increases in fees and oppose HB 2501 in its current form. Currently, HB 2501 seeks additional increase to fees for mortgage loan originators and their companies. Having already faced major fee increases just last year, this fee increase is premature since the program has been in place only a little over a year. It is extremely discouraging for mortgage loan originators and their companies, many of whom are sole proprietors, to be faced with the possibility that their fees will be increased yet again. It is a struggle for many originators and companies to pay the current fees proposed in this bill.

HAMB, however, has been speaking with the Commissioner of Financial Institutions of the Department of Commerce and Consumer Affairs ("the Commissioner") about this matter and has reached an agreement. As we did with SB 2763, SD 1, HAMB will support the Commissioner's proposed amended fee increases as follows:

1. New applicants - additional \$100;
2. Renewals – additional \$50; and
3. Sole proprietors – a one time charge (either as mortgage loan originator or mortgage loan origination company).

HAMB is encouraged by its discussion with the Commissioner and supports this amended fee schedule increase. HAMB will continue to work with the Commissioner and has requested additional information regarding how program funds are being utilized and expended. We are anxious to explore alternate cost-cutting avenues to fee increases.

Thank you for the opportunity to submit this testimony.



Hawaii Credit Union League

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Testimony to the House Committee on Finance
Wednesday, February 29, 2012

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

To: The Honorable Marcus Oshiro, Chair
The Honorable Marilyn Lee, Vice-Chair
Members of the Committee on Finance

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, 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 17-19 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.