



My name is Neal Okabayashi from First Hawaiian Bank, and I testify for the Hawaii Bankers Association, a trade association of local banks, savings banks and a financial services loan company whose deposits are insured by the Federal Deposit Insurance Corporation.

Our present Code of Financial Institutions was enacted in 1993 and since that time, many new banking developments have come to pass including the Gramm-Leach-Bliley Act and more recently, the Dodd-Frank Act. In addition innovative technology had led to electronic banking, stored value cards and concern for the unbanked and underbanked who can be well-served by stored value cards. Thus, an effort to modernize our Code to be up-to-date with current federal law and FDIC regulations was spearheaded by our commissioner of financial institutions, and HBA lauds her for her efforts.

These changes will enable state chartered banks to keep pace with our brethren who are chartered by the federal government (such as American Savings and Hawaii National Bank) who operate under federal laws which have kept pace with modern banking.

Thus, in the interest of a level playing field and a more current banking law, HBA supports sections 1 through 6 of HB 840.