

Honolulu, Hawaii

MAR 01 2013

RE: S.B. No. 1068  
S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1068, S.D. 1, 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 enable the Commissioner of Financial Institutions to more effectively enforce the money transmitters law and more appropriately supervise, regulate, and examine licensees.

More specifically, this measure, among other things:

- (1) Authorizes the Commissioner to require licensees to register with NMLS;
- (2) Authorizes licensees to voluntarily surrender their licenses;
- (3) Increases the amounts of the required surety bonds;
- (4) Authorizes the Commissioner to enter into agreements with NMLS with regard to records and fees;
- (5) Increases application, initial license, name change, and change of control fees;
- (6) Establishes a schedule of renewal fees based upon the number of annualized money transmissions; and



- (7) Increases the amount of civil penalties.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure is necessary to ensure that the Commissioner has sufficient funds to effectively regulate money transmitters.

Your Committee has amended this measure by:

- (1) Clarifying that licensees are required to maintain a bond;
- (2) Changing the effective date to July 1, 2050, in order to facilitate discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity 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. 1068, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1068, S.D. 2.

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



DAVID Y. IGE, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

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

Bill / Resolution No.:* SB 1068, SD1	Committee Referral: CPN/JDL, WAM	Date: 2-22-13		
<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	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam			✓	
<b>TOTAL</b>	10	0	1	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
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\*Only one measure per Record of Votes