

STAND. COM. REP. NO. 1415

Honolulu, Hawaii
April 4, 2013

RE: S.B. No. 1070
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1070, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS,"

begs leave to report as follows:

The purpose of this measure is to create greater consumer protections in the mortgage service industry by, among other things:

- (1) Authorizing the Commissioner of Financial Institutions (Commissioner) to investigate mortgage servicer violations and examine the books, accounts, records, files, and other information of mortgage servicer licensees or those performing the function of mortgage servicers under Hawaii laws governing mortgage servicers;
- (2) Adjusting fees charged for mortgage servicer applications and renewals;
- (3) Requiring that the renewal for licensure as a mortgage servicer be subject to the approval of the Nationwide Mortgage Licensing System or the Commissioner;
- (4) Amending references to the "Nationwide Mortgage Licensing System" to read "NMLS" and creating a new

SB1070 HD1 HSCR FIN HMS 2013-3063



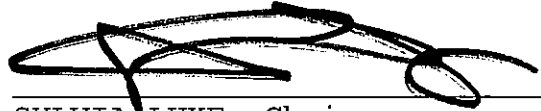
definition for "NMLS" for the purposes of clarity and consistency with federal regulations; and

- (5) Providing for a transitional period through December 1, 2013, to allow licensees adequate time to comply with new requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1070, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



