

STAND. COM. REP. NO.

1176

Honolulu, Hawaii

March 22, 2013

RE: S.B. No. 1071
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 Consumer Protection & Commerce, to which was referred S.B. No. 1071, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS,"

begs leave to report as follows:

The purpose of this measure is to modernize banking laws. Specifically, this measure, among other things:

- (1) Specifies the powers of the Commissioner of Financial Institutions;
- (2) Updates terminology; and
- (3) Adjusts fees for financial institutions.

The Hawaii Bankers Association and an individual provided testimony in support of this measure. The Department of Commerce and Consumer Affairs and Hawaii Financial Services Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting reference to investigations with regard to:

SB1071 HD1 HSCR CPC HMS 2013-2736-2



- (A) The charging of expenses to financial institutions by the Commissioner of Financial Institutions for travel, per diem, mileage, and other expenses incurred in connection with an examination; and
- (B) The billing of expenses to financial institutions by the Commissioner of Financial Institutions as soon as feasible after the close of an examination;
- (2) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1071, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1071, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



