

Honolulu, Hawaii

MARCH 4, 2016

RE: H.B. No. 2319
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2319 entitled:

"A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS,"

begs leave to report as follows:

The purpose of this measure is to improve the State's regulation of money transmitter licensees. More specifically, this measure:

- (1) Broadens the class of persons who may submit an application for approval of a change in control of a money transmitter licensee to include persons other than the licensee;
- (2) Requires criminal background checks of the persons applying to assume control of a money transmitter licensee; and
- (3) Updates a reference to the agency that administers an applicable federal regulation, from the Federal Reserve Board to the Consumer Financial Protection Bureau.

The Department of Commerce and Consumer Affairs and an individual provided testimony in support of this measure.



Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

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 H.B. No. 2319, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2319, H.D. 1.

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



SYLVIA LUKE, Chair

