STAND. COM. REP. NO. 16

Honolulu, Hawaii April 8, 2016 RE: S.B. No. 2849 S.D. 1 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 S.B. No. 2849, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES,"

begs leave to report as follows:

The purpose of this measure is to enable the Department of Commerce and Consumer Affairs (DCCA) Division of Financial Institutions to operate more efficiently and provide greater consumer protection of funds and transactions involving escrow depositories by, among other things:

- Authorizing the Commissioner of Financial Institutions to enter into agreements with the National Multistate Licensing System and Registry (NMLS) to collect and maintain records and process transaction fees related to licensees;
- (2) Requiring applicants for licensure and applicants for approval of a proposed change in control of the licensee to provide information and authorizations necessary for the DCCA to conduct a criminal history record check on the applicant's controlling persons and other personnel; and
- (3) Imposing new fees.



The Department of Commerce and Consumer Affairs supported this measure.

Your Committee has amended this measure by:

SB2849 HD1 HSCR FIN HMS 2016-3213

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2)Making technical nonsubstantive amendments for 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 S.B. No. 2849, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2849, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

Chair UKE,

State of Hawaii

House of Representatives The Twenty-eighth Legislature HSCR 1628-16

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB2849 SD1	Committee Referral: FIN	Date:	04/07/16	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) □ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)			<u> </u>	
2. NISHIMOTO, Scott Y. (VC)				
3. CACHOLA, Romy M.				
4. CULLEN, Ty J.K.				
5. DeCOITE, Lynn				
6. JOHANSON, Aaron Ling				
7. JORDAN, Jo				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LoPRESTI, Matthew S.				
11. LOWEN, Nicole E.				
12. ONISHI, Richard H.K.				
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.				
15. POUHA, Feki				
16. WARD, Gene				
				-
TOTAL (16)	6			
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				