

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:

- (1) 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.



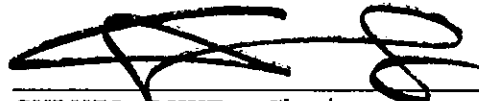
The Department of Commerce and Consumer Affairs supported this measure.

Your Committee has amended this measure by:

- (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,



SYLVIA LUKE, Chair



