STAND. COM. REP. NO. 579 -16

Honolulu, Hawaii April 8 , 2016 RE: S.B. No. 2850 S.D. 2 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. 2850, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE INDUSTRY REGULATION, "

begs leave to report as follows:

The purpose of this measure is to clarify the applicable regulatory scope of the Secure and Fair Enforcement for Mortgage Licensing Act, chapter 454F, Hawaii Revised Statutes, and the mortgage servicers law under chapter 454M, Hawaii Revised Statutes, which regulate the related industries of mortgage loan origination and mortgage servicing, respectively. Specifically, this measure, among other things:

- Applies the same confidentiality requirements to mortgage loan originators as are already operative for mortgage servicers;
- (2) Amends statutory definitions and updates provisions related to controlling federal laws to make the use of terminology and application of federal requirements consistent across both chapters; and
- (3) Segregates statutory provisions related to each class of licensee into the appropriate chapter to avoid confusion and redundancy in licensing and enforcement requirements for mortgage servicers and mortgage loan originators, respectively.



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ARDA Hawaii, Hawaii Habitat for Humanity Association, Starwood Vacation Ownership, and Wyndham Vacation Ownership supported this measure. The Department of Commerce and Consumer Affairs provided comments.

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. 2850, 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,

Chair LUKE,



## State of Hawaii House of Representatives The Twenty-eighth Legislature



Bill/Resolution No.:	Committee Referral:	Dates		
SB2850 SD2 HD1	CPC, FIN		04/01/16	
□ The committee is reconsidering its prev	ious 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)				
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	/			
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TOTAL (16)	- 6			
The recommendation is: Adopted INot 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				

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