

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:

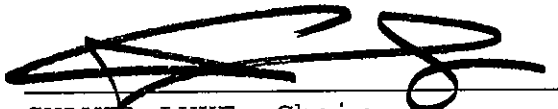
- (1) Applies the same confidentiality requirements to mortgage loan originators as are already operative for mortgage servicers;
- (2) Amends statutory definitions and updates provisions related to controlling federal laws to make the use of terminology and application of federal requirements consistent 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.



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,

  
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SYLVIA LUKE, Chair



