

Senate Committee on Commerce, Consumer Protection, and Health
Hearing: Monday, February 27, 2017, Room 227
Subject: SB667, Relating to Mortgage Servicers

TESTIMONY IN SUPPORT

Chair, Senator Baker & Vice Chair, Senator Nishihara and members of the Committee.

My name is Craig “Bo” Kahui and I am a native Hawaiian and the Executive Director of a native Hawaiian beneficiary organization, La’i’Opua 2020. Also, I serve as a Board Director for Habitat for Humanity West Hawaii. We support granting a licensing exemption as a mortgage services for our organization, *Habitat for Humanity West Hawaii (HFHWH)*.

It is HFHWH policy that if any of our homeowner encounters financial difficulty, we will work with them and make financial arrangements. Since being operation, we’ve helped 5 native Hawaiians of the Villages of La’i’Opua, Hawaii Island **who** were experiencing financial hardship to build a home and a future for their families. More importantly, HFHWH is expecting to conduct another Blitz Build and build 10 home in 10 days for 10 deserving and low income native Hawaiian families at the Villages of La’i’Opua in September 2017. La’i’Opua 2020 and partner Hawaii Community Assets had qualified 8 homesteaders for the HFHWH Blitz Build.

We further support being granted a temporary exemption pending the outcome of the commissioner’s report. **Although, HFHWH would prefer to be fully exempt as a mortgage servicer.**

HFHWH note for the Committee that both the FDIC and the Consumer Financial Protection Bureau (CFPB), considers Habitat for Humanity and its affiliates as small servicers which are exempt from certain rules that larger servicers must follow. The CFPB specifically mentions Habitat for Humanity in several of their exemption guidance’s. We should also point out that a number states provide for a nonprofit mortgage servicers exemptions.

There is a statewide housing crisis that HFHWH is currently addressing, imposing and additional regulatory burden on us now would divert us from our primary mission of building decent and affordable homes for low income families on Hawaii Island.

We, HFHWH, La’i’Opua 2020, and the Villages of La’i’Opua Association support granting a licensing exemption as a mortgage services for *Habitat for Humanity West Hawaii (HFHWH) and other small service providers.*

Sincerely,
Craig “Bo” Kahui, *BK*
Board Director, HFHWH
Board Director, Villages of La’i’Opua (VOLA)
Executive Director, La’i’Opua 2020 (L2020)

CC: HFHWH
VOLA



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February 27, 2017

Senate Committee on Commerce, Consumer Protection, and Health
Friday, February 27, 2017 at 9:30am
Conference Room 229

Support SB667 – Relating to Mortgage Servicers

Aloha Chair and Committee Members:

I am submitting testimony in **SUPPORT** of Senate Bill 667 – Relating to Mortgage Servicers, legislation that will provide relief to nonprofit community development corporations and self-help housing programs with regards to the State’s mortgage servicer licensing requirements.

I am presenting my testimony in my capacity as Executive Director of Hawaiian Community Assets (HCA), a statewide nonprofit 501c3 HUD-certified housing counseling agency and community development financial institution that builds the capacity of low- and moderate-income communities to achieve and sustain economic self-sufficiency through the provisions of place-based youth and family financial education, housing counseling, and match savings and micro-lending programs. Founded in 2000, our organization has served serves 1,500 children and families annually through our statewide offices and since our inception we have assisted 1,517 Hawaii families secure or sustain permanent housing.

Our organization supports the legislation and encourages the State to consider mirroring the licensing requirements for nonprofit mortgage loan originators as a way forward on this legislation. Mahalo for your time, leadership, and consideration in supporting SB667 – Relating to Mortgage Servicers. Please feel free to contact me directly at 808.587.7653 or at jeff@hawaiiancommunity.net should you have any questions or need clarification.

Sincerely

A handwritten signature in black ink that reads "Jeff Gilbreath".

Jeff Gilbreath
Executive Director