

Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 1957
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1957 entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES,"

begs leave to report as follows:

The purpose of this measure is to override the ruling in *Bank of New York Mellon v. Rumbawa* by prohibiting a person who is entitled to enforce a mortgage note as a negotiable instrument from foreclosing on the property in a foreclosure by action unless the person establishes that the person is the owner of the mortgage note.

The Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and three individuals testified in support of this measure. Hawaii Financial Services Association and Hawaii Bankers Association opposed this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1957, as amended herein, and recommends that



it pass Second Reading in the form attached hereto as H.B. No. 1957, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

R. Takumi

ROY M. TAKUMI, Chair



