

STAND. COM. REP. NO.

1114

Honolulu, Hawaii

March 17, 2017

RE: S.B. No. 390
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Intrastate Commerce, to which was referred
S.B. No. 390, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO APPRAISAL MANAGEMENT
COMPANIES,"

begs leave to report as follows:

The purpose of this measure is to regulate appraisal
management companies.

Specifically, this measure:

- (1) Establishes an Appraisal Management Company Registration Program within the Department of Commerce and Consumer Affairs to conform to minimum standards established under federal law and regulations;
- (2) Establishes registration requirements, standards, and penalties for violations; and
- (3) Appropriates funds for costs associated with the Appraisal Management Company Registration Program.

The Professional and Vocational Licensing Division of the
Department of Commerce and Consumer Affairs, Hawaii Financial

SB390 HD1 HSCR IAC HMS 2017-2995



Services Association, Real Estate Valuation Advocacy Association, Hawaii Association of Realtors, Mortgage Bankers Association of Hawaii, and a concerned individual supported this measure. The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Hawaii Bankers Association, and Hawaii Credit Union League offered comments.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount for the Appraisal Management Company Registration Program to an unspecified amount;
- (2) Changing the effective date to July 1, 2090, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure further, your Committee respectfully requests that it consider appropriating \$140,000 for fiscal year 2018-2019 for the Appraisal Management Company Registration Program to carry out its functions.

As affirmed by the record of votes of the members of your Committee on Intrastate Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 390, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 390, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Intrastate
Commerce,



TAKASHI OHNO, Chair



HSCZ 1114

Record of Votes of the Committee on Intrastate Commerce

Bill/Resolution No.: SB 390 SD2	Committee Referral: IAC, CPC, FIN	Date: 3-15-17		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
IAC Members	Ayes	Ayes (WR)	Nays	Excused
1. OHNO, Takashi (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. CACHOLA, Romy M.	✓			
4. ITO, Ken	✓			
5. ONISHI, Richard H.K.	✓			
6. TOKIOKA, James Kunane	/			
7. WOODSON, Justin H.				✓
8. WARD, Gene	✓			
TOTAL (8)	7			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				