

Honolulu, Hawaii

MAY 13 2020

RE: H.B. No. 1882
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 1882, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NONDEPOSITORY TRUSTS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Clarify the powers and duties of nondepository trust companies;
- (2) Amend the yearly assessment on nondepository trust companies by basing its calculation on total assets under management; and
- (3) Establish a paid-in capital and surplus requirement for chartering nondepository trust companies.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and CSI Trust Company.

Your Committee finds that nondepository trust companies provide fiduciary oversight for consumers who do not have friends or family members to manage their assets or whose assets do not qualify for asset management by banks or large investment firms.



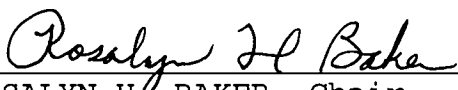
This measure establishes an assessment structure that is appropriate to supervise and examine nondepository trust companies, which can provide a secure alternative to kupuna and other individuals unserved or underserved in Hawaii's community.

Your Committee has amended this measure by:

- (1) Deleting the duplicative definition of "assets under management" that would have been inserted into section 412:8-101, Hawaii Revised Statutes, as the term is already defined in section 3 of the measure;
- (2) Inserting an effective date of July 1, 2020; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1882, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1882, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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

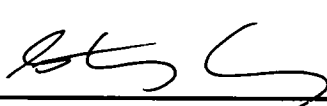


ROSALYN H. BAKER, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1882 HDI	CPH, WAM	3-13-2020		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
NISHIHARA, Clarence K.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
TOTAL	6			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes