

Honolulu, Hawaii

FEB 13, 2020

RE: H.B. No. 2323
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2323, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE MORTGAGE LOAN RECOVERY FUND,"

begs leave to report as follows:

The purpose of this measure is to expand the pool of persons eligible to receive restitution from the Mortgage Loan Recovery Fund to include those persons the Director of Commerce and Consumer Affairs has determined are entitled to restitution.

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

Your Committee finds that under the existing system, a restitution payment to an aggrieved person from the Mortgage Loan Recovery Fund is limited to court orders or final judgments against a licensee. This measure seeks to streamline the restitution process by allowing an aggrieved party to obtain restitution by order of the Director of Commerce and Consumer Affairs and enabling the restitution payment to be made from the Mortgage Loan Recovery Fund, rather than requiring the licensee to make the restitution payment to the aggrieved party.

Your Committee has amended this measure by:



- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2323, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2323, H.D. 2.

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



ROY M. TAKUMI, Chair



