

STAND. COM. REP. NO.

756

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 806
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 806 entitled:

"A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS,"

begs leave to report as follows:

The purpose and intent of this measure is to amend money transmitter licensure requirements by adding a credit report and extending personal background history from five years to ten years, which will enable the Division of Financial Institutions to join a compact of states that license money transmitters.

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

Your Committee finds that applications for a money transmitter license must be made through the Nationwide Multistate Licensing System, also referred to as NMLS, the sole nationwide platform that provides for information-sharing among regulators to increase efficiencies for regulatory jurisdictions and enhance consumer protection. A compact of twenty-one states have agreed to accept each other's findings on standardized key areas of the licensing process, which will promote greater efficiency and alleviate the regulatory burden for money transmitters applying for licenses in multiple states. This measure therefore enables Hawaii to join this compact of states with standardized licensing laws.

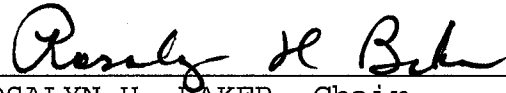


Your Committee has amended this measure by:

- (1) Inserting language authorizing the Insurance Commissioner to conduct a financial responsibility review of the applicant as part of the licensing process; and
- (2) Making a technical, nonsubstantive amendment for the 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 S.B. No. 806, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 806, S.D. 1, and be placed on the calendar for Third Reading.

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.:* SB 806	Committee Referral: CPH	Date: 2/21/19		
<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)	✓			
KEOHOKALOLE, Jarrett	✓			
NISHIHARA, Clarence K.				✓
RUDERMAN, Russell E.				✓
THIELEN, Laura H.	✓			
FEVELLA, Kurt				✓
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes