

Honolulu, Hawaii

APR - 7 2022

RE: H.B. No. 2113
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2113, H.D. 2, S.D. 1, 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 minimize regulatory burden and eliminate redundancy by permitting money transmitter applicants to submit to either a state or federal criminal history record check, rather than both.

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

Your Committee finds that existing law requires each key individual of a money transmitter to submit to a state and federal criminal background review. Hawai'i became a reporter to the national criminal background database approximately seven years ago and since then, in the State's review of parallel state and federal criminal background checks, no discrepancies on disqualifying crimes have been found. The Nationwide Multistate Licensing System and Registry provides information-sharing among state regulators to enhance consumer protection and is a cloud-based system that gives state agencies up-to-date criminal history records from the Federal Bureau of Investigations. Accordingly,



this measure will allow an applicant to only submit to a federal criminal background check, which will eliminate unnecessary regulatory burden and streamline the review of applicants.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2113, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,

Karl Rhoads

KARL RHOADS, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:	Committee Referral:	Date:
HB 2113, HD2, SD1	CPN, JDC	03-31-22

The Committee is reconsidering its previous decision on this measure.
If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	/			
KEOHOKALOLE, Jarrett (VC)	/			
ACASIO, Laura	/			
GABBARD, Mike	/			
KIM, Donna Mercado	/			
LEE, Chris	/			
FEVELLA, Kurt				/
TOTAL	6	—	—	1

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: 

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*Only one measure per Record of Votes