

Honolulu, Hawaii

APR 29 2022

RE: S.B. No. 1105
S.D. 2
H.D. 1
C.D. 1

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

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1105, S.D. 2, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Allow a person aggrieved by the fraud, misrepresentation, or deceit of a mortgage loan originator company licensee to receive restitution payment upon a final judgment of the court;
- (2) Repeal fees paid by mortgage loan originator companies and their branch office locations to the mortgage loan recovery fund and instead establish a flat \$200 mortgage loan recovery fund fee; and



- (3) Provide the Commissioner of Financial Institutions with the authority to consider and approve applications to recover from the fund.

Your Committee on Conference finds that a person who holds a court order against a mortgage loan originator or a mortgage loan originator company licensee for fraud, deceit, or misrepresentation is eligible to receive restitution from the Mortgage Loan Recovery Fund. However, existing law requires that person to also obtain a separate order from the court to receive the restitution payment from the Mortgage Loan Recovery Fund, which can be an onerous administrative process. Typically, it can take eight to twelve months before a court orders the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to issue the restitution payment. This measure will allow aggrieved persons to receive restitution payments more efficiently, as the Division of Financial Institutions will be able to issue those payments pursuant to final, rather than separate, court orders. Additionally, this measure repeals fees paid by mortgage loan originator companies and their branches to adjust the funding level of the Mortgage Loan Recovery Fund, as there are currently sufficient funds to make restitution payments to aggrieved persons by assessing individual mortgage loan originators, as required by federal law.

Your Committee on Conference has amended this measure by making it effective on July 1, 2022.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1105, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1105, S.D. 2, H.D. 1, C.D. 1.



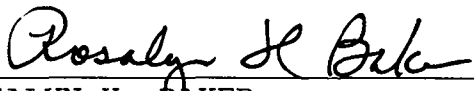
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

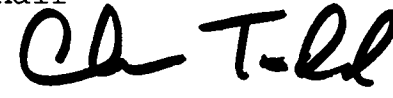
ON THE PART OF THE SENATE



AARON LING JOHANSON
Co-Chair



ROSALYN H. BAKER
Chair



CHRIS TODD
Co-Chair



MAILE S.L. SHIMABUKURO
Co-Chair



DONNA MERCADO KIM
Co-Chair



Hawai'i State Legislature

Record of Votes of a
Conference Committee

CCR 80-22

Bill / Concurrent Resolution No.: SB 1105, SD 2, HD 1	Date/Time: 4/28/22 1:58PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				JOHANSON, Aaron Ling, Co-Chr.	✓			
SHIMABUKURO, Maile S.L., Co-Chr.	✓				TODD, Chris, Co-Chr.	✓			
KIM, Donna Mercado, Co-Chr.	✓				KITAGAWA, Lisa	✓			
FEVELLA, Kurt	✓				MATSUMOTO, Lauren	✓			
TOTAL	4	-	-	-	TOTAL	4	-	-	-

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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