

STAND. COM. REP. NO. **2725**

Honolulu, Hawaii

MAR 03 2022

RE: S.B. No. 3083

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

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 3083 entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Commissioner of Financial Institutions to modify or waive requirements in chapter 454M, Hawaii Revised Statutes, to implement changes and improvements made to the National Multi-State Licensing System and Registry (NMLS).

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

Your Committee finds that most states' agencies have adopted the process of streamlining and standardizing the filing of electronic surety bonds through NMLS. Hawaii remains one of the few states that has not adopted this modernized process and requires applicants and licensees to physically submit a surety bond with the Commissioner of Financial Institutions before the license becomes effective. If there is any error in the surety bond, for example, a typo in the name or address, the Division of Financial Institutions is required to mail the surety bond back to the insurer and request a new surety bond. This physical transfer process can add significant delays. Accordingly, this measure will allow the Commissioner of Financial Institutions to implement modern features through NMLS to streamline the licensing process



for mortgage servicers, similar to the existing licensing process for mortgage loan originators and money transmitters.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3083 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 3083	Committee Referral: CPN	Date: 02-11-2022		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input 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)	/			
DECOITE, Lynn	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt				/
TOTAL	6			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K. Nishihara</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes