

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 1325
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1325 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Align the State's money transmitters law with provisions of the Model Money Transmitters Modernization Act; and
- (2) Authorize the State to share resources, data, and technology tools with other states.

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

Your Committee finds that the business of money transmitters has evolved with advances in financial technology. However, the State's existing laws regulating money transmitters have not kept pace with the advances in technology and provide insufficient consumer protection. This measure aligns the State's money transmitters law with the Model Money Transmitters Modernization



Act, thus providing the benefit of a stronger multi-state system of financial regulation.

Your Committee has amended this measure by:

- (1) Deleting the reference to the "Act" and inserting the appropriate Hawaii Revised Statutes chapter adopting the Model Money Transmitters Modernization Act;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1325, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1325, S.D. 1, and be placed on the calendar for Third Reading.

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

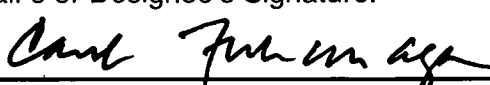


JARRETT KEOHOKALO, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB1329	Committee Referral: CPN	Date: 2/21/23		
<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
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton			✓	
TOTAL	3	0	1	1
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