Honolulu, Hawaii

Ap: 11, 2010

RE: S.B. No. 2603

S.D. 2 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

## Sir:

Your Committee on Finance, to which was referred S.B. No. 2603, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT,"

begs leave to report as follows:

The purpose of this bill is to facilitate the effective regulation of mortgage loan originators under the Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act), Chapter 454F, Hawaii Revised Statutes, by:

- (1) Making amendments to the application, licensing, and regulatory requirements of the SAFE Act;
- (2) Establishing the Mortgage Loan Recovery Fund to protect consumers harmed by violations of the SAFE Act;
- (3) Including mortgage loan originator companies under the regulation of the SAFE Act; and
- (4) Appropriating funds to hire staff within the Department of Commerce and Consumer Affairs' (DCCA) Division of Financial Institutions to effectuate the purposes of the SAFE Act.

The Hawaii Association of Mortgage Brokers supported this bill. DCCA, the Department of Budget and Finance, and Hawaii Financial Services Association provided comments.

Your Committee has amended this bill by:

- (1) Clarifying what entities must register with the Nationwide Mortgage Licensing System under the SAFE Act;
- (2) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2603, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2603, S.D. 2, H.D. 2.

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

MARCUS R. OSHIRO, Chair

## State of Hawaii House of Representatives The Twenty-fifth Legislature

HSCR 1153-10

## **Record of Votes of the Committee on Finance**

~~	ee Referral: /SUD, FI	N Date	3/26/	10
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)	V			
3. AQUINO, Henry J.C.				
4. AWANA, Karen Leinani	TO THE POLICE OF	: renacional acopaga, al., h.	中部建筑建筑中以北京中国	The same appropriate and the same and the same appropriate and the same appropriate and the same
5. BROWER, Tom				
6. CHOY, Isaac W.				
7. COFFMAN, Denny				THE STREET
8. HAR, Sharon E. 9. KEITH-AGARAN, Gilbert S.C.				100 hiji na 100 hi
10. LEE, Chris				
11: NISHIMOTO, Scott Y				
12. SAGUM, Roland D., III	Ridder (Star - France)	THE STREET STREET, STR	Contraction and Contraction of the Contraction of t	Librar Halikery (1977) 1 10
13. TOKIOKA, James Kunane				
14. WOOLEY, Jessica	~	2334/355-134 11-12-70	Sind on the HEMPOTTAN ASSESSMENT OF THE SECOND	All Philosophia and a service
15. YAMASHITA; Kyle T.	-			
16. FINNEGAN, Lynn	~			
17. WARD, Gene			HEREN AND THE STREET	
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TOTAL (17)	15			2
The recommendation is:  Adopted If joint referral,	□ Not Adopted	did not suppo	ort recommendation	
Vice Chair's or designee's signature:	arily (	3. Lev	A server as a serv	TOTAL MANAGE
Distribution: Original (White) – Committee Du	plicate (Yellow) –	Chief Clerk's Office	Duplicate (P	ink) – HMSO