STAND. COM. REP. NO. 445 -12

Honolulu, Hawaii

March 2 , 2012

RE: H.B. No. 2502 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2502, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to help protect Hawaii homeowners by, among other things:

- (1) Allowing the Commissioner of Financial Institutions (Commissioner) to require all mortgage servicers to register with the Nationwide Mortgage Licensing System and Registry (NMLSR);
- (2) Prohibiting any person licensed as a mortgage servicer from providing mortgage loan modification services without first complying with the licensure requirements for mortgage loan originators under Chapter 454F, Hawaii Revised Statutes (HRS);
- (3) Allowing the Commissioner to increase Hawaii's involvement with the NMLSR;
- (4) Authorizing the Commissioner to use the NMLSR as an agent for:

- (A) Requesting information from and distributing information to the United States Department of Justice or any governmental agency; and
- (B) Requesting and distributing information to and from any source directed by the Commissioner; and
- (5) Making it unlawful for any mortgage servicer to provide any mortgage loan modifications or other services that would require licensing pursuant to Chapter 454F, HRS, unless the mortgage servicer is licensed under that chapter.

The Department of Commerce and Consumer Affairs submitted comments.

Your Committee urges the proponents of this bill to work together to find common ground and arrive at mutual agreement.

Your Committee has amended this bill by making technical, nonsubstantive amendments for purposes of consistency, clarity, 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 H.B. No. 2502, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2502, 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-sixth Legislature

Hoce 945.12

Record of Votes of the Committee on Finance

	ee Referral:	Date:	3/1/1-	2
☐ 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. OSHIRO, Marcus R. (C)	V			
2. LEE, Marilyn B. (VC)	1			
3. CHOY, Isaac W.	V			
4. CULLEN, Ty				
5. GIUGNI, Heather				
6. HAR, Sharon E.	V/		-	
7. HASHEM, Mark J.	✓			
8. ICHIYAMA, Linda	/ ,		-	
9. JORDAN, Jo	V.			
10. KAWAKAMI, Derek S.K.				
11. LEE, Chris	V			
12. MORIKAWA, Dee	1			
13. TOKIOKA, James Kunane	V.,			·
14. YAMASHITA, Kyle T.				
15. MARUMOTO, Barbara C.				
16. RIVIERE, Gil	√			
17. WARD, Gene	\checkmark			-
w.				
			-	
TOTAL (17)	16	1	\bigcirc	
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature: Mary 3. Lev				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				