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## LATE TESTIMONY

February 1, 2012

**The Honorable Robert N. Herkes, Chair**  
House Committee on Consumer Protection and Commerce

**The Honorable Gilbert S.C. Keith-Agaran, Chair**  
House Committee on Judiciary  
State Capitol, Room 325  
Honolulu, Hawaii 96813

**RE: H.B. 2375, Relating to the Mortgage Rescue Fraud Prevention Act**

**HEARING: Wednesday, February 1, 2012, at 2:00 p.m.**

Aloha Chair Herkes, Chair Keith-Agaran, and Members of the Joint Committees:

I am Myoung Oh, Government Affairs Director, submitting testimony on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,500 members. HAR supports H.B. 2375 which establishes criminal penalties and a mandatory fine for certain violations of the Mortgage Rescue Fraud Prevention Act ("MRFPA"). Also, this measure establishes a special fund to enforce the MRFPFA and for related public educational activities.

The MRFPFA has helped to protect financially strapped homeowners, who are more vulnerable, from equity skimming and foreclosure rescue scams by deterring fraudulent activities. HAR applauds the Committees efforts to further deter these scams and fraudulent behavior by increasing the criminal penalties associated with the MRFPFA.

Furthermore, HAR believes it is extremely valuable to use the funds collected towards enforcement, educating the public on the MRFPFA, and informing consumers on fraudulent activities that may be committed against homeowners facing property foreclosures, liens or encumbrances. The two-fold approach of increasing the penalties and educating the consumer will serve to better protect homeowners.

Mahalo for the opportunity to submit testimony.

