62 STAND. COM. REP. NO.

Honolulu, Hawaii Appil 5, 2013 RE: S.B. No. 1069 S.D. 2 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1069, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE LOAN ORIGINATION,"

begs leave to report as follows:

The purpose of this measure is to enhance the regulation of licensees under Chapter 454F, Hawaii Revised Statutes (HRS), the Secure and Fair Enforcement for Mortgage Licensing Act.

Among other things, this measure:

- Clarifies licensure requirements for mortgage loan originators and mortgage loan originator companies, and for mortgage servicer companies that conduct mortgage loan origination activities;
- (2) Adjusts licensure and other administrative fees for mortgage loan origination licensees; and
- (3) Establishes licensure and other administrative fees for mortgage servicer companies that conduct mortgage loan origination activities.

The Department of Commerce and Consumer Affairs supported this measure. The Hawaii Association of Mortgage Professionals and Alston Hunt Floyd & Ing Lawyers commented on this measure.

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Your Committee has amended this measure by:

- Specifying fees that a sole proprietor mortgage loan originator must pay to obtain and maintain a valid sole proprietor mortgage loan originator license;
- (2) Requiring the Commissioner of Financial Institutions to submit a report detailing the implementation of Act 32, Special Session Laws of Hawaii 2009, to the Legislature no later than 30 days prior to the convening of the 2014 Regular Session to account for the effects of regulatory changes to the mortgage loan industry over the past several years; and
- (3) Making technical, nonsubstantive amendments 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. 1069, 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. 1069, S.D. 2, H.D. 2.

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

SYLVIA LUKE, Chair



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

HSCR 1612

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

Bill/Resolution No.: SB1069 SD2 HD1	Committee Referral: CPC, FIN	Date: C	te: 04/04/13	
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. LUKE, Sylvia (C)			,	
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand		-		
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
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TOTAL (17)	(5	2		
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				