

JAN 26 2022

A BILL FOR AN ACT

RELATING TO MORTGAGE SERVICERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

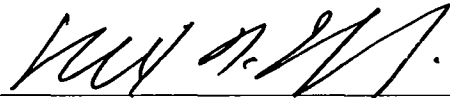
1 SECTION 1. Section 454M-4, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) To the extent reasonably necessary to participate in
4 NMLS, the commissioner may modify [~~any or all of the~~
5 ~~requirements of subsections (e) and (i).~~] or waive, in whole or
6 in part, by rule or order, any or all of the requirements in
7 this chapter."

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act, upon its approval, shall take effect
11 on July 1, 2022.

12
13 INTRODUCED BY: _____



14 BY REQUEST

S.B. NO. 3083

Report Title:

Mortgage Servicers; Surety Bond; Chapter 454M

Description:

Authorizes the Commissioner of Financial Institutions (Commissioner) to modify or waive requirements in chapter 454M, Hawaii Revised Statutes, to implement changes and improvements made to the NMLS.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS.

PURPOSE: To authorize the Commissioner of Financial Institutions (Commissioner) to modify or waive the requirements in chapter 454M, Hawaii Revised Statutes, to implement modernization processes, efficiencies, and improvements made to the NMLS.

MEANS: Amend section 454M-4, Hawaii Revised Statutes (HRS).

JUSTIFICATION: This bill would authorize the Commissioner to implement NMLS processes for the licensure of mortgage servicers in a manner similar to the Commissioner's authority set forth in chapters 454F and 489D, Hawaii Revised Statutes. This language would obviate the need to make repeated requests to the Legislature for changes to the chapter when NMLS modifies or modernizes its processes. Currently, for example, applicants for mortgage servicer licenses are required to submit a surety bond to the Commissioner before the license is granted. This bill will allow the Commissioner to authorize submission of a variety of required documents including surety bonds directly through NMLS by applicants, licensees, and third parties.

Impact on the public: This bill will streamline the mortgage servicer licensing process.

Impact on the department and other agencies: The Commissioner will have the authority to implement efficiencies and improvements made to the NMLS.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: CCA-104.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: July 1, 2022.