

STAND. COM. REP. NO.

161

Honolulu, Hawaii

FEB 08 , 2023

RE: H.B. No. 1027
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 1027 entitled:

"A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS
MODERNIZATION ACT,"

begs leave to report as follows:

The purpose of this measure is to align the State's money
transmitters law with the provisions of the Model Money
Transmitters Modernization Act.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs.

Your Committee finds that the financial components of the
Money Transmitters Modernization Act, established pursuant to
chapter 489D, Hawaii Revised Statutes, are outdated and do not
provide adequate protection for consumers, considering the
evolution of money transmission companies conducting activities
worldwide.

Your Committee further finds that this measure will align
state law with the provisions of the Conference of State Bank
Supervisors Model Money Transmitters Modernization Act and will
enable the State to:

2023-1249 HB1027 HD1 HSCR HMSO



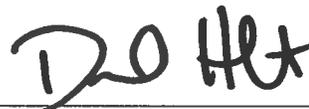
- (1) Work within a network of states to license, supervise, and examine transglobal money transmission companies as a multi-state system;
- (2) Enable timely, coordinated, and efficient regulation of money transmission companies that will achieve financial stability and economic growth while providing consumer protection; and
- (3) Allow the State to share resources, data, and technology tools with other states to create a stronger multi-state system of financial regulation.

Your Committee has amended this measure by:

- (1) Changing its effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1027, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



DANIEL HOLT, Chair



