

STAND. COM. REP. NO.

1046

Honolulu, Hawaii

MAR 03 , 2023

RE: H.B. No. 1027
H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1027, H.D. 1, 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 Modernization Act with the provisions of the Model Money Transmission Modernization Act.

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

Your Committee finds that existing state laws regulating the financial components of money transmitters are outdated and do not adequately provide consumer protection. Your Committee further finds that the Conference of State Bank Supervisors Model Money Transmission Modernization Act adequately addresses the evolving landscape of money transmission to ensure consumer protection while allowing the industry to evolve. This measure will enable the State to work within a network of states to license, supervise, and examine transglobal money transmission companies as a multi-state system of financial regulation.

Your Committee has amended this measure by:

2023-2308 HB1027 HD2 HSCR HMSO



- (1) Amending the definitions of "money," "money transmission," "outstanding money transmission obligation," and "payment instrument" to align with the definitions under the Model Money Transmission Modernization Act; 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1027, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1027, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



MARK M. NAKASHIMA, Chair



