Honolulu, Hawaii

Fe414, 2008

RE: H.B. No. 3088 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred H.B. No. 3088 entitled:

"A BILL FOR AN ACT RELATING TO RESIDENTIAL MORTGAGE PRACTICES,"

beg leave to report as follows:

The purpose of this bill is to enhance the regulation of mortgage brokers and solicitors by replacing the existing law regulating these entities with a new law providing for more specialized regulation by the Division of Financial Institutions of residential mortgage brokers, residential mortgage lenders, and residential loan originators.

The Department of Commerce and Consumer Affairs (DCCA) testified in support of this bill. The Hawaii Financial Services Association, First Hawaiian Bank, and Primerica Financial Services Home Mortgages, Inc., supported the intent of this measure. The Mortgage Bankers Association of Hawaii and numerous concerned individuals opposed this bill.

Your Committees note that H.B. No. 2408 has the similar purpose of improving the regulation of mortgage brokers and solicitors, albeit through a different approach that your Committees have decided to pursue at this time. However, H.B. No. 2408 has not been referred to the Committee on Finance and lacks an appropriation that may be necessary to fund DCCA's administration of the provisions of that bill.

HB3088 HD1 HSCR CPC-JUD HMS 2008-1973



Accordingly, your Committees have amended this bill by replacing its contents with an appropriation for DCCA to administer and enforce the provisions of H.B. No. 2408 regulating mortgage brokers and solicitors.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3088, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3088, H.D. 1, and be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committees on Consumer Protection & Commerce and Judiciary,

ROBERT N. HERKES, Chair

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

HB 3088	CPC/JUD, FIN	Date	207/08				
☐ 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)							
CPC Members	Ayes	Ayes (WR)	Nays	Excused			
1. HERKES, Robert N. (C)	× ×						
2. McKELVEY, Angus L.K. (VC)	7						
3. EVANS, Cindy		e _{dell} e e e e e e e e e e e e e e e e e e		þ			
4. GREEN, Josh, M.D.	<u> </u>						
5. ITO, Ken		and the state of t		×			
6. LUKE, Sylvia7. MORITA, Hermina M.	- - 4						
 MORITA, Hermina M. SONSON, Alex M. 	<u> </u>			ス			
9. SOUKI, Joseph M.	X		I Hamilton Section	2			
10. TSUJI, Clift	κ			<u> </u>			
11. YAMANE, Ryan I.							
12. YAMASHITA, Kyle T.	Y						
13. MARUMOTO, Barbara C.		4	a sensitiva				
14. THIELEN, Cynthia	k						
			8				
	R						
T.							
		<u> </u>					
	\leftarrow						
TOTAL (14)	(0	The same of the sa		3			
The recommendation is: Adopted If joint referral, Committee acronym(s) did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office							

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Judiciary

Bill/Resolution No.:	Committee Referral:	Date					
нв 3088	CPC/JUD, FIN	JUD, FIN FEB 7, 2008					
☐ 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)							
JUD Members	Ayes	Ayes (WR)	Nays	Excused			
1. WATERS, Tommy (C)							
2. OSHIRO, Blake K. (VC)							
3. EVANS, Cindy			(20 Mil. 20 20)				
4. GREEN, Josh, M.D.							
5. ITO, Ken				-			
6. LUKE, Sylvia							
7. McKELVEY, Angus L.K.			161,00				
8. MORITA, Hermina M.	1						
9. SONSON, Alex M.							
10. SOUKI, Joseph M.	/						
11. TSUJI, Clift							
12. YAMANE, Ryan I.							
13. YAMASHITA, Kyle T.			es de la companya de la la companya de la companya				
14. MARUMOTO, Barbara C.		/		e e			
15. PINE, Kymberly Marcos							
16. THIELEN, Cynthia							
TOTAL (16)	11	2		3			
The recommendation is: Adopted							
If joint referral, did not support recommendation. committee acronym(s)							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office							