

Honolulu, Hawaii

APR 03 2008

RE: H.B. No. 2326
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 2326, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGES,"

begs leave to report as follows:

The purpose of this measure is to enact a new chapter, known
as the Mortgage Rescue Fraud Prevention Act, to regulate
distressed property consultants and their practices and contracts.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs, Hawaii
Association of Realtors, Hawaii Financial Services Association,
and Legal Aid Society of Hawai'i.

This measure is intended to protect Hawaii consumers from
persons who prey on homeowners facing property foreclosures,
liens, or encumbrances. These distressed property consultants,
known as "mortgage rescuers", charge a high fee and often do
little or no work, and employ deceptive tactics that sometimes
eventuate in the homeowner having to deed their property to the
mortgage rescuer. This measure addresses both forms of trickery
by requiring the consultants to provide homeowners with a written
contract spelling out their services and by giving the homeowner
the right to cancel at any time before the services are actually
performed.



As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2326, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HB 2326 HD 2 SD1	Committee Referral: CPH, JDL	Date: 3-28-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, BRIAN T. (C)	/			
HEE, Clayton (VC)				/
GABBARD, Mike				/
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SLOM, Sam	/			
TOTAL	4			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes