

STAND. COM. REP. NO.

1002

Honolulu, Hawaii

March 24, 2015

RE: S.B. No. 756
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred S.B. No. 756, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR
ENFORCEMENT FOR MORTGAGE LICENSING ACT,"

begs leave to report as follows:

The purpose of this measure is to establish a mortgage
license exemption for a seller of real property who:

- (1) Offers or negotiates terms of a residential mortgage
loan secured by the seller's own real property and for
which the seller is the mortgagee;
- (2) Is an individual who provides three or fewer residential
mortgage loans per calendar year and the interest rate
for the loan is not above the State's usury limit; and
- (3) Provides the buyer a disclosure with the terms of the
transaction.

An individual testified in support of this measure. The
Hawaii Association of REALTORS supported this measure with
amendments. The Department of Commerce and Consumer Affairs
provided comments on this measure.



Your Committee has amended this measure by:

- (1) Specifying that the exemption applies to a seller who is a person, estate, or trust; and
- (2) Requiring that the seller provide the buyer a written document with the loan amount, payment schedule, and consequences of default, instead of a disclosure with the terms of the transaction.

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 S.B. No. 756, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 756, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

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



ANGUS L.K. MCKELVEY, Chair



Hser 1002

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:	Date:		
SB 756 SD1	CPC, JUD	03-18-15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	\			
2. WOODSON, Justin H. (VC)	\			
3. BELATTI, Della Au	\			
4. BROWER, Tom	\			
5. CREAGAN, Richard P.	\			
6. HAR, Sharon E.	\			
7. HASHEM, Mark J.	\			
8. KAWAKAMI, Derek S.K.	\			
9. LEE, Chris	\			
10. NAKASHIMA, Mark M.	\			
11. OSHIRO, Marcus R.	\			
12. SAN BUENAVENTURA, Joy A.	\			
13. TAKAYAMA, Gregg	\			
14. YAMANE, Ryan I.	\			
15. FUKUMOTO CHANG, Beth	\			
16. MCDERMOTT, Bob	\			
TOTAL (16)	16			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not 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 Duplicate (Pink) – HMSO				