

STAND. COM. REP. NO. **606**

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 652  
S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 652, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES,"

begs leave to report as follows:

The purpose and intent of this measure is to improve the current non-judicial foreclosure law, based largely upon the proposals of the Mortgage Foreclosure Task Force.

Specifically, this measure will, among other things, authorize homeowners of an impending foreclosure to convert a non-judicial foreclosure to a judicial foreclosure and protect them from a deficiency judgment in a non-judicial foreclosure.

Your Committee received comments in support of this measure from Stephen Levins, Executive Director, Office of Consumer Protection, Department of Commerce and Consumer Affairs; Rick Tsujimura, Mortgage Bankers Association of Hawaii; and Gary Y. Fujitani, Executive Director, Hawaii Bankers Association.

Your Committee received comments on this measure from Rodney A. Maile, Administrative Director of the Courts, Judiciary of the State of Hawaii.

Your Committee finds that the Mortgage Foreclosure Task Force was established under Act 162, Session Laws of Hawaii 2010, and represented a broad cross section of the community, including borrowers and lenders. Accordingly, the task force obtained input

SB652 SD2 SSCR LRB 11-2242.doc



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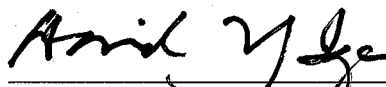
from virtually all interested parties, and due to its strong commitment to improving the mortgage foreclosure laws in Hawaii and the hundreds of hours of hard work exerted by its members, the task force reached a consensus on several important proposals. Your Committee believes that these proposals represent significant improvements to the current non-judicial foreclosure law in Hawaii.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, in order to facilitate further discussion on the matter; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 652, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 652, S.D. 2.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 652 SD1	CPN, WAM	2/24/11		
<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 type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.	✓			
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	13	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes