

STAND. COM. REP. NO.

1420

Honolulu, Hawaii

April 4

, 2013

RE: S.B. No. 1068
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1068, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS,"

begs leave to report as follows:

The purpose of this measure is to enable the Commissioner of Financial Institutions to more effectively regulate, supervise, and examine the money transmitters industry by, among other things:

- (1) Authorizing the Commissioner to require money transmitter licensees to register with the Nationwide Mortgage Licensing System (NMLS) and to enter into agreements or contracts with the operators of NMLS or other entities designated by NMLS for the purpose of regulation of the money transmitter industry;
- (2) Creating a process for licensees to voluntarily cease business and surrender their license;
- (3) Increasing the amounts of the surety bonds required of licensees;
- (4) Updating statutory language by deleting references to building and loan associations and savings and loan

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associations in the licensing and examination provisions of the Money Transmitters Act;

- (5) Increasing application, license, administrative, and penalty fee amounts for money transmitter licensees;
- (6) Establishing a schedule of license renewal fees based upon the number of a licensee's annualized money transmissions; and
- (7) Providing for background checks of money transmitter licensees.

The Department of Commerce and Consumer Affairs and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1068, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair

HSR 1420

State of Hawaii
House of Representatives
The Twenty-seventh Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB1068 SD2 HD1	Committee Referral: EDB, CPC, FIN	Date: 04/01/13		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)		/		
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.	/			
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth		/	/	
17. WARD, Gene				
TOTAL (17)	13	3	1	
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: _____				
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