

Honolulu, Hawaii

APR 27 2017

RE: S.B. No. 950
S.D. 2
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 950, S.D. 2, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to update requirements related to licensed mortgage servicers by:

- (1) Requiring approval by the Commissioner of Financial Institutions for a change in control of a mortgage servicer licensee; and
- (2) Clarifying which persons associated with a mortgage servicer are presumed to exercise control and are subject to interviews, examination, and disclosure requirements.



Your Committee on Conference finds that mortgage servicers often have relationships with borrowers that can last thirty years or more and can have a direct impact on what is often a consumer's largest asset. This measure requires the Commissioner of Financial Institutions to approve a change in control of a mortgage servicer licensee; enhances consumer protection by specifying when an individual is presumed to control a mortgage servicer; and enables the Commissioner to make certain determinations regarding the fitness of the person who will obtain control and the impact of the change in control on the public interest. Your Committee on Conference further finds that this measure makes the State's mortgage servicer law more effective and efficient, improves compliance within the mortgage servicer industry, and enhances the Division of Financial Institution's regulatory oversight and enforcement abilities.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to September 1, 2017; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 950, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 950, S.D. 2, H.D. 1, C.D. 1.



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Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

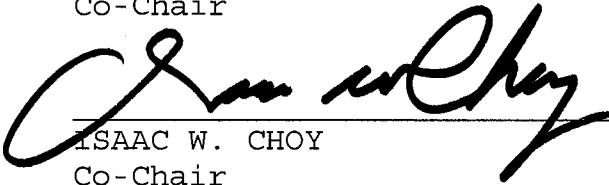
ON THE PART OF THE SENATE



TAKASHI OHNO
Co-Chair



ROY M. TAKUMI
Co-Chair



ISAAC W. CHOY
Co-Chair



ROSALYN H. BAKER
Chair



BRIAN T. TANIGUCHI
Co-Chair



Hawaii State Legislature

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Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 950, SD 2, HD 1 Date/Time: 4-25-17 2:44 PM

The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure. The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Table with columns for Senate Managers (BAKER, ROSALYN H., CHR.; TANIGUCHI, BRIAN T., CO-CHR.; CHANG, STANLEY) and House Managers (OHNO, TAKASHI, CO-CHR.; TAKUMI, ROY M., CO-CHR.; CHOY, ISAAC W., CO-CHR.; WARD, GENE). Columns include A, WR, N, E.

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: [X] Adopted [] Not Adopted House Recommendation is: [X] Adopted [] Not Adopted

Senate Lead Chair's or Designee's Signature: Rosalyn H. Baker House Lead Chair's or Designee's Signature: [Signature]

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