

Honolulu, Hawaii

APR 27 2017

RE: S.B. No. 951
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. 951, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MORTGAGE LOAN ORIGINATION,"

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 the State's mortgage loan origination law by clarifying:

- (1) Persons who are presumed to control a mortgage loan originator company;
- (2) Procedures for change in control of a licensee;
- (3) Persons who must disclose their relevant criminal history and criminal history background checks upon application for licensure and change in control of the licensee;



- (4) Criminal background check fee requirements; and
- (5) Conditions under which an employee performing mortgage loan origination activities for a nonprofit is exempt from registration and licensure as a mortgage loan originator.

Your Committee on Conference finds that among other things, this measure helps identify persons who are presumed to control a mortgage loan originator company, clarifies procedures for change in control of a licensee, and adds requirements to protect consumers in their mortgage loan origination transactions with exempt sponsoring mortgage loan originator companies. This measure ensures the State can provide appropriate supervision of the mortgage loan origination industry, as required by federal law; makes the State's mortgage loan origination law clearer and more effective; improves compliance within the industry; enhances the Division of Financial Institutions' regulatory oversight and enforcement of the mortgage loan origination industry; and elevates consumer protection.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to September 1, 2017; and
- (2) Making technical, nonsubstantive amendments for 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. 951, 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. 951, S.D. 2, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

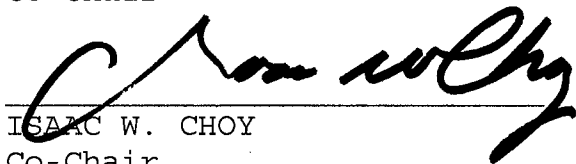
ON THE PART OF THE SENATE



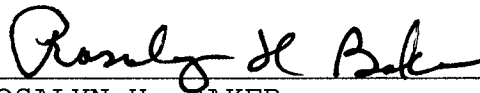
TAKASHI OHNO
Co-Chair



ROY M. TAKUMI
Co-Chair



ISAAC W. CHOY
Co-Chair



ROSALYN H. BAKER
Chair



BRIAN T. TANIGUCHI
Co-Chair



Hawaii State Legislature

CCR 63

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 951, SD 2, HD 1	Date/Time: 4-25-17 2:46 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				OHNO, Takashi, Co-Chr.	✓			
TANIGUCHI, Brian T., Co-Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
CHANG, Stanley	✓				CHOY, Isaac W., Co-Chr.	✓			
					WARD, Gene	✓			
TOTAL	3	-	-	-	TOTAL	4	-	-	-

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

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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Distribution:	Original <i>File with Conference Committee Report</i>	Yellow <i>House Clerk's Office</i>	Pink <i>Senate Clerk's Office</i>	Goldenrod <i>Drafting Agency</i>
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