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# A BILL FOR AN ACT

RELATING TO THE MORTGAGE LOAN RECOVERY FUND.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 454F-41, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3           "(a) The commissioner shall establish and maintain a fund  
4 that shall be known as the mortgage loan recovery fund [~~from~~  
5 ~~which any person~~] to compensate persons aggrieved by [~~an~~] a  
6 licensee, as follows:

7           (1) Any person aggrieved by a licensee's act,  
8           representation, transaction, or conduct [~~of a~~  
9           ~~licensee~~] involving fraud, misrepresentation, or  
10           deceit in violation of this chapter may recover, by  
11           order or final judgment of the circuit court or  
12           district court of the county where the violation  
13           occurred, an amount of ten per cent of the residential  
14           mortgage loan, but not more than \$150,000, including  
15           court costs and fees as set by law and reasonable  
16           attorney fees as determined by the court, for damages



1           sustained by the fraud, misrepresentation, or deceit  
2           of a licensee[-]; or

3           (2) Any person aggrieved by a licensee's act,  
4           representation, transaction, or conduct in violation  
5           of this chapter and not covered by paragraph (1) may  
6           receive restitution, by order of the commissioner and  
7           to be paid from the mortgage loan recovery fund, of  
8           not more than \$25,000 per person for financial loss  
9           resulting from the violation."

10           SECTION 2. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12           SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

Mortgage Loan Recovery Fund; Restitution

**Description:**

Expands the pool of persons eligible to receive restitution from the Mortgage Loan Recovery Fund. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

