A BILL FOR AN ACT

RELATING TO THE MORTGAGE LOAN RECOVERY FUND.

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

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

"(a) The commissioner shall establish and maintain a fund that shall be known as the mortgage loan recovery fund from which any person aggrieved by a licensee, as follows:

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

(2) Any person aggrieved by a licensee's act, representation, transaction, or conduct involving fraud, misrepresentation, or deceit in violation of this chapter may receive restitution, by order of the director of commerce and consumer affairs and to be paid from the mortgage loan recovery fund, of not more than $25,000 per person for financial loss resulting from the violation."

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 Statutory material to be repealed is bracketed and stricken.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

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. Authorizes the director of commerce and consumer affairs to issue orders for restitution. Effective 7/1/2050. (HD1)

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