



*Mortgage Bankers Association of Hawaii*  
*P.O. Box 4129, Honolulu, Hawaii 96812*

January 24, 2024

The Honorable Joy A. San Buenaventura, Chair  
The Honorable Henry J.C. Aquino, Vice Chair  
Members of the Senate Committee on Health and Human Services

Hearing Date: January 26, 2023  
Hearing Time: 1:00pm  
Hearing Place: Hawaii State Capitol, Conference Room 325

Re: SB 462 Relating to Attachment and Execution

I am Linda Nakamura, representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate and service, or support the origination and servicing, of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation or rules, it is related only to mortgage lending and servicing.

The MBAH is offering the following comments regarding SB 462.

The Bill increases the amount of the exemption from attachment or execution of real property from \$30,000 to \$100,000 and a motor vehicle from \$2,575 to \$15,000. The Bill also exempts one month of child support and spousal support or \$5,000 whichever is less from attachment and execution.

The Bill does not address whether the real property is an owner-occupant residential property. This means a debtor may exempt investment properties whether they are residential or commercial.

The Bill does not limit the number of times the exemption can be used by a debtor. The exemption may be used multiple times by a debtor on multiple properties.

Clarification of the above should be considered to ensure the intent of the bill which is to create a safety net of assets for Hawaii families who are struggling is truly helping that segment of Hawaii families.

The Bill may have unintended consequences to borrowers in Hawaii. It may require lenders and creditors to tighten their underwriting guidelines to mitigate this potential added loss. Lenders and creditors lend monies with expectations that they are repaid 100% of the monies they lend. Availability of credit may be curtailed.

Thank you for the opportunity to present this testimony.

Linda Nakamura  
Mortgage Bankers Association of Hawaii