



**GOV. MSG. NO. 1279**

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA

July 2, 2024

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Second State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki  
Speaker, and Members of the  
House of Representatives  
Thirty-Second State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 2, 2024, the following bill was signed into law:

SB2958 HD1

RELATING TO STATUTORY REVISION:  
AMENDING OR REPEALING VARIOUS  
PROVISIONS OF THE HAWAII REVISED  
STATUTES OR THE SESSION LAWS OF  
HAWAII FOR THE PURPOSES OF  
CORRECTING ERRORS AND REFERENCES,  
CLARIFYING LANGUAGE, OR DELETING  
OBSOLETE OR UNNECESSARY  
PROVISIONS.

**ACT 178**

Sincerely,

Josh Green, M.D.  
Governor, State of Hawai'i

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# A BILL FOR AN ACT

RELATING TO STATUTORY REVISION: AMENDING OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES OR THE SESSION LAWS OF HAWAII FOR THE PURPOSES OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, OR DELETING OBSOLETE OR UNNECESSARY PROVISIONS.

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

1 SECTION 1. Section 15D-2, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending the definition of "federal postcard  
4 application" to read:

5 "Federal postcard application" means the application  
6 prescribed under section 101(b)(2) of the Uniformed and Overseas  
7 Citizens Absentee Voting Act, [~~42 U.S.C. section 1973ff(b)(2).~~]  
8 title 52 United States Code section 20301(b)(2)."

9 2. By amending the definition of "federal write-in  
10 absentee ballot" to read:

11 "Federal write-in absentee ballot" means the ballot  
12 described in section 103 of the Uniformed and Overseas Citizens  
13 Absentee Voting Act, [~~42 U.S.C. section 1973ff 2.~~] title 52  
14 United States Code section 20303."



1 SECTION 2. Section 15D-4, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) The chief election officer shall be the state  
5 official responsible for implementing this chapter and the  
6 State's responsibilities under the Uniformed and Overseas  
7 Citizens Absentee Voting Act, [~~42 U.S.C. section 1973ff~~] title  
8 52 United States Code section 20301 et seq."

9 2. By amending subsection (d) to read:

10 "(d) The chief election officer shall accept forms  
11 prescribed by the Uniformed and Overseas Citizens Absentee  
12 Voting Act, [~~42 U.S.C. section 1973ff~~] title 52 United States  
13 Code section 20301 et seq., for use by a covered voter [~~+~~that~~+~~  
14 ~~eentains~~] contain the prescribed standard declaration to swear  
15 or affirm specific representations pertaining to the voter's  
16 identity, eligibility to vote, status as a covered voter, and  
17 timely and proper completion of [~~an overseas military~~] a  
18 military-overseas ballot."

19 SECTION 3. Section 30-1, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           " ~~[f]~~§30-1~~[f]~~ **Declaration of purpose.** The legislature  
2 declares it to be the purpose of this chapter to promote the  
3 orderly transfer of the executive power in connection with the  
4 expiration of the term of office of a governor and the  
5 inauguration of a new governor. The interest of the State  
6 requires that such transitions be accomplished so as to assure  
7 continuity in the conduct of the affairs of the state  
8 government. Any disruption occasioned by the transfer of the  
9 executive power could produce results detrimental to the safety  
10 and well-being of the State and its people. Accordingly, it is  
11 the intent of the legislature that appropriate actions be  
12 authorized and taken to avoid or minimize any disruption. In  
13 addition to the specific provisions contained in this chapter  
14 directed toward that purpose, it is the intent of the  
15 legislature that all officers of the state government so conduct  
16 the affairs of the state government for which they exercise  
17 responsibility and authority as:

18           (1) ~~[tø]~~ To be mindful of problems occasioned by  
19                           transitions in the office of governor~~[τ]~~;



1           (2) ~~[to]~~ To take appropriate lawful steps to avoid or  
2           minimize disruptions that might be occasioned by the  
3           transfer of the executive power~~[7]~~; and

4           (3) ~~[otherwise]~~ Otherwise to promote orderly transitions  
5           in the office of governor."

6           SECTION 4. Section 161-3, Hawaii Revised Statutes, is  
7           amended as follows:

8           1. By amending the definition of "Federal Food, Drug, and  
9           Cosmetic Act" to read:

10            "Federal Food, Drug, and Cosmetic Act" means the federal  
11           Act so entitled, approved June 25, 1938 (Public Law ~~[75-675]~~  
12           75-717; 52 Stat. 1040; 21 U.S.C.A. section 301 et seq.), and all  
13           amendments to that Act."

14           2. By amending the definition of "misbranded" to read:

15            "\"Misbranded\" includes any poultry or poultry product in  
16           one or more of the following circumstances:

17           (1) Its labeling is false or misleading in any particular.

18           (2) It is offered for sale under the name of another food.

19           (3) It is an imitation of another food, unless its label  
20           bears, in type of uniform size and prominence, the



1 word "imitation" and immediately thereafter the name  
2 of the food imitated.

3 (4) Its container is made, formed, or filled as to be  
4 misleading.

5 (5) It is in a package or other container, unless it bears  
6 a label showing:

7 (A) The name and place of business of the  
8 manufacturer, packer, or distributor; and

9 (B) An accurate statement of the quantity of the  
10 contents in terms of weight, measure, or  
11 numerical count; provided that the board may  
12 permit reasonable variations[7] and may prescribe  
13 exemptions for small packages.

14 (6) Any word, statement, or other information required by  
15 this chapter to appear on the label or other labeling  
16 is not prominently placed with adequate  
17 conspicuousness, as compared with other words,  
18 statements, designs, or devices, on the labeling, and  
19 in adequate terms to be likely to be read and  
20 understood by the ordinary individual under customary  
21 conditions of purchase and use.



- 1           (7) It purports to be or is represented as a food for  
2           which a definition and standard of identity or  
3           composition has been prescribed by the board under  
4           this chapter, unless:
- 5           (A) [~~it~~] It conforms to that definition and  
6           standard[~~7~~]; and
- 7           (B) [~~its~~] Its label bears the name of the food  
8           specified in the definition and standard, and  
9           bears the common names of optional ingredients,  
10          as may be required, other than spices, flavoring,  
11          and coloring, present in the food.
- 12          (8) It purports to be or is represented as a food for  
13          which a standard or standards of fill of container  
14          have been prescribed by the board under this chapter,  
15          and it falls below the applicable standard of fill of  
16          container, unless its label bears, in the manner and  
17          form that the board prescribes, a statement that it  
18          falls below that standard.
- 19          (9) It is not subject to [~~item~~] paragraph (7), unless its  
20          label bears[~~7~~]:



1 (A) [~~the~~] The common or usual name of the food, if  
2 any[~~]~~; and[~~]~~  
3 (B) [~~in~~] In case it is fabricated from two or more  
4 ingredients, the common or usual name of each  
5 ingredient, except that, when authorized by the  
6 board, spices, flavorings, and colorings may[~~]~~  
7 ~~when authorized by the board,~~] be designated as  
8 spices, flavorings, and colorings without naming  
9 each; provided that to the extent that compliance  
10 with this requirement is impracticable, or  
11 results in deception or unfair competition,  
12 exemptions shall be established by the board.

13 (10) It purports to be or is represented for special  
14 dietary uses, unless its label bears information  
15 concerning its vitamin, mineral, and other dietary  
16 properties that the board, after consultation with the  
17 United States Secretary of Agriculture, determines to  
18 be and prescribes as necessary, in order to fully  
19 inform purchasers as to its value for such uses.

20 (11) It bears or contains any artificial flavoring,  
21 artificial coloring, or chemical preservative, unless



1 it bears labeling stating that fact; provided that to  
2 the extent that compliance with this requirement is  
3 impracticable, exemptions shall be established by the  
4 board.

5 (12) It fails to bear, directly on it or on its container,  
6 as the board may prescribe, the inspection legend and,  
7 unrestricted by any of the foregoing, other  
8 information as the board may require, to assure that  
9 the labeling will not be false or misleading and that  
10 the public will be informed of the manner of handling  
11 required to maintain the poultry or poultry products  
12 in a wholesome condition."

13 SECTION 5. Section 161-25, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "[+]§161-25[+] Slaughter, processing, transportation, and  
16 selling. No person [~~shall~~], with respect to any poultry or  
17 poultry product[+], shall:

18 (1) Slaughter any [~~sueh~~] poultry or process any [~~sueh~~]  
19 poultry or poultry products [~~which~~] that are capable  
20 of use as human food, at any establishment processing  
21 [~~sueh~~] poultry or poultry products solely for



1 intrastate commerce, except in compliance with the  
2 requirements of this chapter~~[ ]~~;

3 (2) Sell, transport, offer for sale or transportation, or  
4 receive for transportation, in intrastate commerce~~[ ]~~;

5 (A) ~~[any such]~~ Any poultry or poultry products  
6 ~~[which]~~ that are capable of use as human food~~[ ]~~  
7 and are adulterated or misbranded at the time of  
8 ~~[such]~~ sale, transportation, offer for sale or  
9 transportation, or receipt for transportation; or

10 (B) ~~[any]~~ Any poultry or poultry products required to  
11 be inspected under this chapter unless they have  
12 been so inspected and passed~~[ ]~~; or

13 (3) Do, with respect to any ~~[such]~~ poultry or poultry  
14 products ~~[which]~~ that are capable of use as human  
15 food, any act while they are being transported in  
16 intrastate commerce or held for sale after such  
17 transportation~~[, which]~~ that is intended to cause or  
18 has the effect of causing ~~[such]~~ the poultry or  
19 poultry product to be adulterated or misbranded."



1 SECTION 6. Section 166E-2, Hawaii Revised Statutes, is  
2 amended by amending the definition of "aquacultural activities"  
3 to read as follows:

4 "Aquacultural activities" means the farming or ranching  
5 [~~or~~] of any plant or animal species in a controlled salt,  
6 brackish, or freshwater environment; provided that the farm or  
7 ranch is on or directly adjacent to land."

8 SECTION 7. Section 171-14.5, Hawaii Revised Statutes, is  
9 amended by amending subsection (a) to read as follows:

10 "(a) Whenever used in this section, unless otherwise  
11 apparent from the context:

12 "Farm" also means "ranch" and "farmer" also means  
13 "rancher".

14 "Individual" means a natural person who is not a part of a  
15 partnership, corporation, or joint venture [~~which~~] that is a  
16 potential bidder under this section.

17 "Nonindividual farm concern" means a partnership,  
18 corporation, or joint venture properly formed under law and  
19 [~~which~~] that is a potential bidder under this section."

20 SECTION 8. Section 171-50, Hawaii Revised Statutes, is  
21 amended by amending subsection (a) to read as follows:



1           "(a) Purpose. No exchange of public land for private land  
2 shall be made except for public purposes, including but not  
3 limited to:

4           (1) [~~consolidation~~] Consolidation of holdings of public  
5 lands;

6           (2) [~~straightening~~] Straightening of boundaries of public  
7 lands;

8           (3) [~~acquisition~~] Acquisition of adequate access for  
9 landlocked public lands [~~which~~] that have development  
10 potential; or

11           (4) [~~acquisition~~] Acquisition of lands suitable for  
12 residential use.

13 Exchanges shall be effected without public auction. Public  
14 notice of any proposed exchange shall be given in accordance  
15 with the applicable provisions set forth in section 171-16(d).

16 All private lands conveyed to the State by way of exchanges  
17 shall thereafter become public lands."

18           SECTION 9. Section 179-2, Hawaii Revised Statutes, is  
19 amended as follows:

20           1. By adding two new definitions to be appropriately  
21 inserted and to read:



1       "Federal flood control project" means a flood control  
2 project authorized and implemented pursuant to the Federal Flood  
3 Control Act of 1936 or the Watershed Protection and Flood  
4 Prevention Act of 1958, as amended or supplemented.

5       "State flood control project" means a flood control project  
6 sponsored and financed by the State and authorized and  
7 implemented pursuant to section 179-4(3)."

8       2. By amending the definition of "'Flood control project',  
9 'federal flood control project', and 'state flood control  
10 project'" to read:

11       "Flood control project" [~~,"federal flood control project",~~  
12 ~~and "state flood control project" mean, respectively: (1)]~~  
13 means specific flood control works [~~which~~] that comprise all or  
14 a portion of the works needed to complete a specific flood  
15 control program [~~;(2) a flood control project authorized and~~  
16 ~~implemented pursuant to the Federal Flood Control Act of 1936 or~~  
17 ~~the Watershed Protection and Flood Prevention Act of 1958, as~~  
18 ~~amended or supplemented, and (3) a flood control project~~  
19 ~~sponsored and financed by the State and authorized and~~  
20 ~~implemented pursuant to section 179-4(3)]."~~



1 SECTION 10. Section 235-2.3, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) The following Internal Revenue Code subchapters,  
4 parts of subchapters, sections, subsections, and parts of  
5 subsections shall not be operative for the purposes of this  
6 chapter, unless otherwise provided:

7 (1) Subchapter A (sections 1 to 59A) (with respect to  
8 determination of tax liability), except section  
9 1(h)(2) (relating to net capital gain reduced by the  
10 amount taken into account as investment income),  
11 except sections 2(a), 2(b), and 2(c) (with respect to  
12 the definition of "surviving spouse" and "head of  
13 household"), except section 41 (with respect to the  
14 credit for increasing research activities), except  
15 section 42 (with respect to low-income housing  
16 credit), except sections 47 and 48, as amended, as of  
17 December 31, 1984 (with respect to certain depreciable  
18 tangible personal property), and except section  
19 48(d)(3), as amended, as of February 17, 2009 (with  
20 respect to the treatment of United States Department  
21 of Treasury grants made under section 1603 of the



1 American Recovery and Reinvestment Tax Act of 2009).

2 For treatment, see sections 235-110.91, 235-110.7, and  
3 235-110.8;

4 (2) Section 78 (with respect to dividends received from  
5 certain foreign corporations by domestic corporations  
6 choosing foreign tax credit);

7 (3) Section 86 (with respect to social security and tier 1  
8 railroad retirement benefits);

9 (4) Section 91 (with respect to certain foreign branch  
10 losses transferred to specified 10-percent owned  
11 foreign corporations);

12 (5) Section 103 (with respect to interest on state and  
13 local bonds). For treatment, see section 235-7(b);

14 (6) Section 114 (with respect to extraterritorial income).

15 For treatment, any transaction as specified in the  
16 transitional rule for 2005 and 2006 as specified in  
17 the American Jobs Creation Act of 2004 section 101(d)  
18 and any transaction that has occurred pursuant to a  
19 binding contract as specified in the American Jobs  
20 Creation Act of 2004 section 101(f) are inoperative;



- 1 (7) Section 120 (with respect to amounts received under  
2 qualified group legal services plans). For treatment,  
3 see section 235-7(a)(9) to (11);
- 4 (8) Section 122 (with respect to certain reduced uniformed  
5 services retirement pay). For treatment, see  
6 section 235-7(a)(3);
- 7 (9) Section 135 (with respect to income from United States  
8 savings bonds used to pay higher education tuition and  
9 fees). For treatment, see section 235-7(a)(1);
- 10 (10) Section 139C (with respect to COBRA premium  
11 assistance);
- 12 (11) Subchapter B (sections 141 to 150) (with respect to  
13 tax exemption requirements for state and local bonds);
- 14 (12) Section 151 (with respect to allowance of deductions  
15 for personal exemptions). For treatment, see  
16 section 235-54;
- 17 (13) Section 179B (with respect to expensing of capital  
18 costs incurred in complying with Environmental  
19 Protection Agency sulphur regulations);
- 20 (14) Section 181 (with respect to special rules for certain  
21 film and television productions);



- 1 (15) Section 196 (with respect to deduction for certain  
2 unused investment credits);
- 3 (16) Section 199 (with respect to the U.S. production  
4 activities deduction);
- 5 (17) Section 199A (with respect to qualified business  
6 income);
- 7 (18) Section 222 (with respect to qualified tuition and  
8 related expenses);
- 9 (19) Sections 241 to 247 (with respect to special  
10 deductions for corporations). For treatment, see  
11 section 235-7(c);
- 12 (20) Section 250 (with respect to foreign-derived  
13 intangible income and global intangible low-taxed  
14 income);
- 15 (21) Section 267A (with respect to certain related party  
16 amounts paid or accrued in hybrid transactions or with  
17 hybrid entities);
- 18 (22) Section 280C (with respect to certain expenses for  
19 which credits are allowable). For treatment, see  
20 section 235-110.91;



- 1 (23) Section 291 (with respect to special rules relating to  
2 corporate preference items);
- 3 (24) Section 367 (with respect to foreign corporations);
- 4 (25) Section 501(c)(12), (15), (16) (with respect to exempt  
5 organizations); except that section 501(c)(12) shall  
6 be operative for companies that provide potable water  
7 to residential communities that lack any access to  
8 public utility water services;
- 9 (26) Section 515 (with respect to taxes of foreign  
10 countries and possessions of the United States);
- 11 (27) Subchapter G (sections 531 to 565) (with respect to  
12 corporations used to avoid income tax on  
13 shareholders);
- 14 (28) Subchapter H (sections 581 to 597) (with respect to  
15 banking institutions), except section 584 (with  
16 respect to common trust funds). For treatment, see  
17 chapter 241;
- 18 (29) Section 642(a) and (b) (with respect to special rules  
19 for credits and deductions applicable to trusts). For  
20 treatment, see sections 235-54(b) and 235-55;



- 1 (30) Section 646 (with respect to tax treatment of electing  
2 Alaska Native settlement trusts);
- 3 (31) Section 668 (with respect to interest charge on  
4 accumulation distributions from foreign trusts);
- 5 (32) Subchapter L (sections 801 to 848) (with respect to  
6 insurance companies). For treatment, see  
7 sections 431:7-202 and 431:7-204;
- 8 (33) Section 853 (with respect to foreign tax credit  
9 allowed to shareholders). For treatment, see  
10 section 235-55;
- 11 (34) Section 853A (with respect to credits from tax credit  
12 bonds allowed to shareholders);
- 13 (35) Subchapter N (sections 861 to 999) (with respect to  
14 tax based on income from sources within or without the  
15 United States), except sections 985 to 989 (with  
16 respect to foreign currency transactions). For  
17 treatment, see sections 235-4, 235-5, and 235-7(b),  
18 and 235-55;
- 19 (36) Section 1042(g) (with respect to sales of stock in  
20 agricultural refiners and processors to eligible farm  
21 cooperatives);



- 1 (37) Section 1055 (with respect to redeemable ground  
2 rents);
- 3 (38) Section 1057 (with respect to election to treat  
4 transfer to foreign trust, etc., as taxable exchange);
- 5 (39) Sections 1291 to 1298 (with respect to treatment of  
6 passive foreign investment companies);
- 7 (40) Subchapter Q (sections 1311 to 1351) (with respect to  
8 readjustment of tax between years and special  
9 limitations), except for section 1341 (with respect to  
10 computation of tax where taxpayer restores substantial  
11 amount held under claim of right);
- 12 (41) Subchapter R (sections 1352 to 1359) (with respect to  
13 election to determine corporate tax on certain  
14 international shipping activities using per ton rate);
- 15 (42) Subchapter U (sections 1391 to [~~1379F~~] 1397F) (with  
16 respect to designation and treatment of empowerment  
17 zones, enterprise communities, and rural development  
18 investment areas). For treatment, see chapter 209E;
- 19 (43) Subchapter W (sections 1400 to 1400C) (with respect to  
20 District of Columbia enterprise zone);



- 1 (44) Section 14000 (with respect to education tax
- 2 benefits);
- 3 (45) Section 1400P (with respect to housing tax benefits);
- 4 (46) Section 1400R (with respect to employment relief);
- 5 (47) Section 1400T (with respect to special rules for
- 6 mortgage revenue bonds);
- 7 (48) Section 1400U-1 (with respect to allocation of
- 8 recovery zone bonds);
- 9 (49) Section 1400U-2 (with respect to recovery zone
- 10 economic development bonds); and
- 11 (50) Section 1400U-3 (with respect to recovery zone
- 12 facility bonds)."

13 SECTION 11. Section 237D-6.5, Hawaii Revised Statutes, is  
14 amended by amending subsection (b) to read as follows:

15 "(b) Except for the revenues collected pursuant to  
16 section 237D-2(e), revenues collected under this chapter shall  
17 be distributed in the following priority, with the excess  
18 revenues to be deposited into the general fund:

- 19 (1) \$1,500,000 shall be allocated to the Turtle Bay
- 20 conservation easement special fund beginning July 1,
- 21 2015, for the reimbursement to the state general fund



1 of debt service on reimbursable general obligation  
2 bonds, including ongoing expenses related to the  
3 issuance of the bonds, the proceeds of which were used  
4 to acquire the conservation easement and other real  
5 property interests in Turtle Bay, Oahu, for the  
6 protection, preservation, and enhancement of natural  
7 resources important to the State, until the bonds are  
8 fully amortized;

9 (2) \$11,000,000 shall be allocated to the convention  
10 center enterprise special fund established under  
11 section 201B-8;

12 (3) An allocation shall be deposited into the tourism  
13 emergency special fund, established in  
14 section 201B-10, in a manner sufficient to maintain a  
15 fund balance of \$5,000,000 in the tourism emergency  
16 special fund; and

17 (4) \$3,000,000 shall be allocated to the special land and  
18 development fund established under section 171-19;  
19 provided that the allocation shall be expended in  
20 accordance with the Hawaii tourism authority strategic  
21 plan for:



- 1           (A) The protection, preservation, maintenance, and  
2           enhancement of natural resources, including  
3           beaches, important to the visitor industry;
- 4           (B) Planning, construction, and repair of facilities;  
5           and
- 6           (C) Operation and maintenance costs of public lands,  
7           including beaches, connected with enhancing the  
8           visitor experience.

9           All transient accommodations taxes shall be paid into the  
10          state treasury each month within ten days after collection and  
11          shall be kept by the state director of finance in special  
12          accounts for distribution as provided in this subsection.

13          ~~[As used in this subsection, "fiscal year" means the~~  
14          ~~twelve month period beginning on July 1 of a calendar year and~~  
15          ~~ending on June 30 of the following calendar year.]"~~

16          SECTION 12. Section 329-38, Hawaii Revised Statutes, is  
17          amended by amending subsection (c) to read as follows:

18          "[f](c) Initial concurrent prescriptions for opioids and  
19          benzodiazepines shall not be for longer than seven consecutive  
20          days unless the prescription is issued for a qualified patient



1 pursuant to chapter 327L or a supply of longer than seven days  
2 is determined to be medically necessary for the treatment of:

3 (1) Pain experienced while the patient is in  
4 post-operative care;

5 (2) Chronic pain and pain management;

6 (3) Substance abuse or opioid or opiate dependence;

7 (4) Cancer;

8 (5) Pain experienced while the patient is in palliative  
9 care; or

10 (6) Pain experienced while the patient is in hospice care;  
11 provided that if a prescribing practitioner issues a concurrent  
12 prescription for more than a seven-day supply of an opioid and  
13 benzodiazepine, the practitioner shall document in the patient's  
14 medical record the condition for which the practitioner issued  
15 the prescription and that an alternative to the opioid and  
16 benzodiazepine was not appropriate treatment for the  
17 condition. [+]"

18 SECTION 13. Section 421I-3, Hawaii Revised Statutes, is  
19 amended by amending subsection (b) to read as follows:

20 "(b) Every member of the board of directors shall be:

21 (1) A shareholder of the [~~cooperation,~~] corporation;



- 1 (2) A spouse of a shareholder; or
- 2 (3) A trust beneficiary, if the shareholder is a trustee."

3 SECTION 14. Section 490:9-628, Hawaii Revised Statutes, is  
4 amended by amending subsections (b) and (c) to read as follows:

5 "(b) Subject to subsection (f), a secured party shall not  
6 be liable because of its [~~the~~] status as secured party to:

7 (1) A person that is a debtor or obligor, unless the  
8 secured party knows:

9 (A) That the person is a debtor or obligor;

10 (B) The identity of the person; and

11 (C) How to communicate with the person; or

12 (2) A secured party or lienholder that has filed a  
13 financing statement against a person, unless the  
14 secured party knows:

15 (A) That the person is a debtor; and

16 (B) The identity of the person.

17 (c) A secured party shall not be liable to any person, and  
18 a person's liability for a deficiency shall not be affected,  
19 because of any act or omission arising out of the secured  
20 party's reasonable belief that a transaction is not a  
21 consumer-goods transaction or a consumer transaction or that



1 goods are not consumer goods, if the secured party's belief is  
2 based on its [~~the~~] reasonable reliance on:

- 3 (1) A debtor's representation concerning the purpose for  
4 which collateral was to be used, acquired, or held; or  
5 (2) An obligor's representation concerning the purpose for  
6 which a secured obligation was incurred."

7 SECTION 15. Act 23, Session Laws of Hawaii 2023, is  
8 amended by amending section 7 to read as follows:

9 "SECTION 7. This Act shall take effect upon its approval;  
10 provided that the amendments made to section 709-906, Hawaii  
11 Revised Statutes, by [~~section 3~~] section 4 of this Act shall not  
12 be repealed when that section is reenacted on June 30, 2026,  
13 pursuant to:

- 14 (1) Section 15 of Act 19, Session Laws of Hawaii 2020; and  
15 (2) Section 4 of Act 238, Session Laws of Hawaii 2021."

16 SECTION 16. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 17. This Act shall take effect upon its approval.



S.B. NO. 2958  
H.D. 1

APPROVED this **2nd** day of **July**, 2024

A handwritten signature in black ink, appearing to read "Josh Green", written in a cursive style.

GOVERNOR OF THE STATE OF HAWAII

**THE SENATE OF THE STATE OF HAWAI'I**

Date: April 18, 2024  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.

  
President of the Senate

  
Clerk of the Senate

SB No. 2958, HD 1

THE HOUSE OF REPRESENTATIVES OF THE  
STATE OF HAWAII

Date: April 3, 2024  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.

  
Scott K. Saiki  
Speaker  
House of Representatives

  
Brian L. Takeshita  
Chief Clerk  
House of Representatives