

## ACT 289

H. B. 826.

A Bill for an Act Relating to Business Development Corporations and Amending Chapter 176A, Revised Laws of Hawaii 1955.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Purpose. In order to induce the expansion of long-term, low-cost financing for new or expanding businesses, the state financial assistance programs should be augmented by the forming of a state business development corporation. The private funds made available through such a corporation would greatly enhance the economic development of the State, by supplementing currently available funds with the pooled resources of private individuals, commercial banks, insurance companies, trust companies, pension funds, and public utility companies. Such private participation in the growth of the State would contribute towards filling the gap between available funds and amounts required to support the appropriate level of growth in the State.

SECTION 2. The proviso in section 176A-2(c)(2), Revised Laws of Hawaii 1955, as reads:

“provided, that no loan to the corporation shall be secured in any manner unless all outstanding loans to the corporation shall be secured equally and ratably in proportion to the unpaid balance of such loans and in the same manner.”, is deleted.

SECTION 3. Section 176A-17. The date as reads “June 30, 1967” in the second sentence of the Revised Laws of Hawaii 1955, is amended to read “June 30, 1968.”

SECTION 4. This Act shall take effect upon its approval.

(Approved June 8, 1967.)