

ACT 101

H.B. NO. 2892-76

A Bill for an Act Relating to Escrow Depositories.

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

SECTION 1. Section 449-5.5, Hawaii Revised Statutes, is amended to read:

**“Sec. 449-5.5 Net capital.** The net capital of any corporation engaging in the escrow depository business under this chapter shall not be less than \$50,000. A corporation in lieu of the net capital requirement may alternatively file a bond for \$50,000 conditional upon its satisfactory performance of escrow conditions

and satisfaction of all escrow liabilities. The amount of the minimum net capital of \$50,000, or the bond, or a combination of both net capital or bond totalling \$50,000 shall be maintained at all times by the licensee.

Licenses in operation on May 24, 1973 pursuant to this chapter with a net capital of less than \$50,000 shall increase its net capital to \$50,000 or file a bond for \$50,000, or take action so that a combination of its net capital and bond totals \$50,000, before May 24, 1978.”

SECTION 2. Section 449-13, Hawaii Revised Statutes, is amended to read:

**“Sec. 449-13 Cancellation of bonds or insurance; withdrawal of deposits.** None of the bonds or insurance or deposits in lieu thereof required by this chapter shall be cancelled or withdrawn as to future accruing liability except upon prior written notice to the bank examiner: sixty days’ notice for the bonds or deposits, and thirty days’ notice for the insurance. The license of any licensee shall be suspended upon cancellation of any bond or insurance or upon withdrawal of any deposit in lieu thereof.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

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

(Approved May 13, 1976.)

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\*Edited accordingly.