

ACT 28

S.B. NO. 799

A Bill for an Act Relating to Industrial Loan Companies.

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

SECTION 1. Section 408-13, Hawaii Revised Statutes, is amended to read:

"Sec. 408-13 Capital stock. (a) The capital stock of any corporation, desiring to engage in the industrial loan business and to issue investment or thrift certificates or debentures to the public, shall be not less than \$300,000, which capital stock shall be fully paid to the corporation in cash. No commission, fees, brokerage, or other compensation of any kind shall be paid, either directly or indirectly, to any person, firm, or corporation for the sale of any stock of such corporation, except out of assets in excess of the minimum capital of \$300,000 required by this chapter. The amount of the capital stock shall not, at any time thereafter, be voluntarily reduced below the amount originally paid in, except as may be permitted and in the manner provided by chapter 416; provided, that the amount of the capital stock shall at all times be at least \$300,000. This provision also applies to an industrial loan company that opens an additional office or place of business after July 31, 1977.

(b) The capital stock of any corporation, which desires to engage in the industrial loan business but not to issue investment or thrift certificates to the public shall be not less than \$100,000, which capital stock shall be fully paid to the corporation in cash. The amount of the capital stock of such corporation shall at all times be not less than \$100,000."

SECTION 2. Statutory material to be repealed is bracketed.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 3. This Act shall take effect upon its approval.

(Approved May 5, 1977.)

*Edited accordingly.