

**ACT 79**

**H.B. NO. 2390-78**

**A Bill for an Act Relating to Industrial Loan Companies.**

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

## **ACT 79**

**SECTION 1.** Section 408-15, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

“(j) As an alternative to the interest authorized by subsection (b), an industrial loan company may contract for and receive interest at a rate not exceeding one and one-half percent per month on the unpaid principal balance of a loan, for a loan period of no longer than fifteen years; provided that retail installment contracts as defined in section 476-1, unsecured loans for less than \$5,000, and loans for less than \$7,500 secured only by personal property shall not be contracted under this subsection for a loan period of longer than six years. For loans contracted under this subsection with a term exceeding six years, the note shall provide for repayment of the loan in equal monthly installments over the term of the loan with a final payment not exceeding twice the monthly payment.”

**SECTION 2.** Statutory material to be repealed is bracketed.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 16, 1978.)

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\*Edited accordingly.