

ACT 212

H.B. NO. 1581

A Bill for an Act Relating to Minimum Finance Charges on Retail Installment Contracts.

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

SECTION 1. Section 476-33, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 476-33 Regulation of finance charges. It shall be unlawful, directly or indirectly, to charge, contract for, collect, or receive any finance charge, on a retail installment contract except as is provided by this section.

The finance charge shall not exceed the amount of interest which could lawfully be deducted in advance by an industrial loan company under chapter 408 on a loan to run for the same period as the retail installment contract, where the actual cash received by the borrower after the deduction of interest in advance would be equal in amount to the time balance of the retail installment contract, provided that a minimum finance charge of not more than \$10 shall be allowable in a retail installment sale when the finance charge is stated in a dollar amount.”

SECTION 2. Statutory material to be repealed is bracketed.*

SECTION 3. This Act shall take effect upon its approval.

(Approved June 9, 1979.)

*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.