

ACT 114

H.B. NO. 1944-86

A Bill for an Act Relating to Trust Companies.

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

SECTION 1. Chapter 406, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§406- Additional powers. With the prior written consent of the commissioner of financial institutions, any trust company or bank authorized to engage in a trust business and organized under the laws of the State may provide to its trust and agency clients access to balances in their trust or agency accounts through checks, drafts, credit cards, or debit cards; provided these transactions are cleared through commercial banks or savings and loan associations or clearinghouses.

The provisions of this section are in addition to, and not in limitation of, any other provisions in this chapter, and the powers granted pursuant to this section may be exercised notwithstanding any other provision in this chapter.

The commissioner may adopt, amend, and repeal rules limiting the exercise of powers granted pursuant to this section, and grant conditional consents to applications for the authority to exercise the powers granted by this section, as the commissioner may find to be necessary to avoid unsound trust company practices.”

SECTION 2. New statutory material is underscored.¹

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

(Approved April 30, 1986.)

Note

1. Edited pursuant to HRS §23G-16.5.