

ACT 16

S.B. NO. 2784

A Bill for an Act Relating to Perfection of a Purchase Money Security Interest.

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

SECTION 1. Section 490:9-301, Hawaii Revised Statutes, is amended by amending subsection (2) to read as follows:

“(2) If the secured party files with respect to a purchase money security interest before or within [ten] twenty days after the debtor receives possession of the collateral, [he] the secured party takes priority over the rights of a transferee in bulk or of a lien creditor which arise between the time the security interest attaches and the time of filing.”

SECTION 2. Section 490:9-312, Hawaii Revised Statutes, is amended by amending subsection (4) to read as follows:

“(4) A purchase money security interest in collateral other than inventory has priority over a conflicting security interest in the same collateral or its proceeds if the purchase money security interest is perfected at the time the debtor receives possession of the collateral or within [ten] twenty days thereafter.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved April 10, 1992.)