

ACT 264

S.B. NO. 776

A Bill for an Act Relating to Financial Services Loan Companies.

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

SECTION 1. Section 412:9-401, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Other securities used as reserves shall be limited to obligations of the United States and its agencies and of this State and its counties that qualify as permitted investments under sections 412:9-409(a)(1) and (a)(2) and 412:9-409(b), reverse repurchase agreements whereby the depository financial services loan company has purchased obligations of the United States under terms which require the seller to repurchase the obligations of the United States for cash on demand or in not less than thirty days, bankers acceptances, irrevocable lines of credit of one year or more approved by the commissioner, and securities listed on the New York or the American stock exchanges[.] or the Nasdaq National Market of the Nasdaq Stock Market. Not more than twenty-five per cent of the total reserve shall be held in

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securities listed on the New York or American stock exchanges[.], or the Nasdaq National Market of the Nasdaq Stock Market.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved July 6, 1999.)