

ACT 222

H.B. NO. 595

A Bill for an Act Relating to Check Cashing.

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

SECTION 1. Section 480F-4, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) Each deferred deposit shall be made pursuant to a written agreement that has been signed by the customer and the check casher or an authorized representative of the check casher. The written agreement shall contain a statement of the total amount of any fees charged for the deferred deposit, expressed both in United States currency and as an annual percentage rate. The written agreement shall authorize the check casher to defer deposit of the personal check until a specific date not later than ~~thirty-one~~ thirty-two days from the date the written agreement was signed. The written agreement shall not permit the check casher to accept collateral.

(c) The face amount of the check shall not exceed [~~\$300~~] \$600 and the deposit of a personal check written by a customer pursuant to a deferred deposit transaction may be deferred for no more than ~~thirty-one~~ thirty-two days. A check casher may charge a fee for deferred deposit of a personal check in an amount not to exceed fifteen per cent of the face amount of the check. Any fees charged for deferred deposit of a personal check in compliance with this section shall be exempt from chapter 478.”

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 Statutory material to be repealed is bracketed and stricken.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

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

(Became law on July 8, 2003, without the Governor’s signature, pursuant to Art III, §16, State Constitution.)