

ACT 51

H.B. NO. 2254

A Bill for an Act Relating to Banks and Financial Institutions.

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

SECTION 1. The purpose of this Act is to prohibit the use of the name or trademark of a financial institution or its affiliates or subsidiaries when marketing or soliciting existing or prospective customers if such marketing materials are used without written permission and in a manner that would lead a reasonable person to believe that the material or solicitation originated from a financial institution or its affiliates or subsidiaries. This Act further authorizes a civil penalty of up to \$10,000 for each violation.

SECTION 2. Chapter 412, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§412:1- Financial institution name fraud. (a) No person shall use the name or trademark of a financial institution, as defined in section 412:1-109, or its affiliates or subsidiaries when marketing or soliciting existing or prospective customers if the marketing materials are used without the written consent of the financial institution and in a manner that would lead a reasonable person to believe that the material or solicitation originated from, was endorsed by, is related to, or is the responsibility of the financial institution or its affiliates or subsidiaries.

(b) The commissioner may impose a civil penalty of up to \$10,000 for each violation of this section.”

SECTION 3. New statutory material is underscored.¹

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

(Approved April 30, 2008.)

Note

1. Edited pursuant to HRS §23G-16.5.