
A BILL FOR AN ACT

RELATING TO CONSUMER CREDIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to require financial
2 institutions and creditors that extend consumer credit to the
3 members of the armed forces or reserves on active duty and their
4 family members, to conform their lending practices to the
5 federal John Warner National Defense Authorization Act for
6 Fiscal Year 2007, as amended, relating to the terms of consumer
7 credit extended to the military and their dependents, including
8 maximum annual percentage rates and required disclosures.

9 SECTION 2. Chapter 412, Hawaii Revised Statutes, is
10 amended by adding a new section to part III of article 5 to be
11 appropriately designated and to read as follows:

12 "§412:5- Terms of credit extended to military personnel
13 and family members. Any bank that extends consumer credit to a
14 covered borrower, as defined in section 232 of title 32 of the
15 Code of Federal Regulations, as published on August 31, 2007, in
16 volume 72 of the Federal Register, shall comply with the
17 provisions of section 670 of Public Law 109-364 and section 232
18 of title 32 of the Code of Federal Regulations, as published on



1 August 31, 2007, in volume 72 of the Federal Register pertaining
2 to the extending of consumer credit."

3 SECTION 3. Chapter 412, Hawaii Revised Statutes, is
4 amended by adding a new section to part III of article 6 to be
5 appropriately designated and to read as follows:

6 **"§412:6- Terms of credit extended to military personnel**
7 **and family members.** Any savings bank that extends consumer
8 credit to a covered borrower, as defined in section 232 of title
9 32 of the Code of Federal Regulations, as published on
10 August 31, 2007, in volume 72 of the Federal Register, shall
11 comply with the provisions of section 670 of Public Law 109-364
12 and section 232 of title 32 of the Code of Federal Regulations,
13 as published on August 31, 2007, in volume 72 of the Federal
14 Register pertaining to the extending of consumer credit."

15 SECTION 4. Chapter 412, Hawaii Revised Statutes, is
16 amended by adding a new section to part III of article 7 to be
17 appropriately designated and to read as follows:

18 **"§412:7- Terms of credit extended to military personnel**
19 **and family members.** Any savings and loan association that
20 extends consumer credit to a covered borrower, as defined in
21 section 232 of title 32 of the Code of Federal Regulations, as
22 published on August 31, 2007, in volume 72 of the Federal



1 Register, shall comply with the provisions of section 670 of
2 Public Law 109-364 and section 232 of title 32 of the Code of
3 Federal Regulations, as published on August 31, 2007, in volume
4 72 of the Federal Register pertaining to the extending of
5 consumer credit."

6 SECTION 5. Chapter 412, Hawaii Revised Statutes, is
7 amended by adding a new section to part III of article 9 to be
8 appropriately designated and to read as follows:

9 **"§412:9- Terms of credit extended to military personnel**
10 **and family members.** Any financial services loan company that
11 extends consumer credit to a covered borrower, as defined in
12 section 232 of title 32 of the Code of Federal Regulations, as
13 published on August 31, 2007, in volume 72 of the Federal
14 Register, shall comply with the provisions of section 670 of
15 Public Law 109-364 and section 232 of title 32 of the Code of
16 Federal Regulations, as published on August 31, 2007, in volume
17 72 of the Federal Register pertaining to the extending of
18 consumer credit."

19 SECTION 6. Chapter 412, Hawaii Revised Statutes, is
20 amended by adding a new section to part IV of article 10 to be
21 appropriately designated and to read as follows:



1 "§412:10- Terms of credit extended to military personnel
2 and family members. Any credit union that extends consumer
3 credit to a covered borrower, as defined in section 232 of title
4 32 of the Code of Federal Regulations, as published on
5 August 31, 2007, in volume 72 of the Federal Register, shall
6 comply with the provisions of section 670 of Public Law 109-364
7 and section 232 of title 32 of the Code of Federal Regulations,
8 as published on August 31, 2007, in volume 72 of the Federal
9 Register pertaining to the extending of consumer credit."

10 SECTION 7. Chapter 477E, Hawaii Revised Statutes, is
11 amended by adding a new section to be appropriately designated
12 and to read as follows:

13 "§477E- Terms of credit extended to military personnel
14 and family members. Any creditor that extends consumer credit
15 to a covered borrower, as defined in section 232 of title 32 of
16 the Code of Federal Regulations, as published on August 31,
17 2007, in volume 72 of the Federal Register, shall comply with
18 the provisions of section 670 of Public Law 109-364 and section
19 232 of title 32 of the Code of Federal Regulations, as published
20 on August 31, 2007, in volume 72 of the Federal Register
21 pertaining to the extending of consumer credit."

22 SECTION 8. New statutory material is underscored.



1 SECTION 9. This Act shall take effect upon its approval.

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INTRODUCED BY:

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[Signature]

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Report Title:

Consumer Credit; Military

Description:

Requires financial institutions and creditors that extend consumer credit to the members of the armed forces or reserves on active duty and their dependents, to conform their lending practices to the federal John Warner National Defense Authorization Act for Fiscal Year 2007, as amended, relating to the terms of consumer credit extended to the military and their dependents, including maximum annual percentage rates and required disclosures.

