

JAN 23 2009

A BILL FOR AN ACT

RELATING TO SMALL BUSINESSES.

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

1 SECTION 1. Chapter 429, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§429- Business management training course. Members of
5 an unincorporated nonprofit association that anticipates at the
6 time of establishment that the nonprofit association shall
7 employ not more than ten employees during its first year of
8 operation shall be required to attend a business management
9 training course administered by the department; provided that:

10 (1) The department shall not charge any fees for the
11 course; and

12 (2) The department shall waive the course requirement if
13 the members can demonstrate a reasonable level of
14 business knowledge."

15 SECTION 2. Section 26-9, Hawaii Revised Statutes, is
16 amended to read as follows:



1 "(b) The department shall protect the interests of
2 consumers, depositors, and investors throughout the State. It
3 shall set standards and enforce all laws and rules governing the
4 licensing and operation of, and register and supervise the
5 conduct of, trades, businesses, and professions, including
6 banks, insurance companies, brokerage firms, and other financial
7 institutions. It shall also require business management
8 training courses for any business that anticipates having not
9 more than ten employees during its first year of operations;
10 provided that:

11 (1) The department shall not charge any fees for the
12 course; and

13 (2) The department shall waive the course requirement if
14 the business can demonstrate a reasonable level of
15 business knowledge."

16 SECTION 3. Section 414-33, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "~~§414-33~~ **Incorporation.** (a) The corporate
19 existence begins when the articles of incorporation are filed.

20 (b) The department director's filing of the articles of
21 incorporation is conclusive proof that the incorporators
22 satisfied all conditions precedent to incorporation except in a



1 proceeding by the State to cancel or revoke the incorporation or
2 involuntarily dissolve the corporation.

3 (c) Incorporators who anticipate at the time of filing
4 that the corporation shall employ not more than ten employees
5 during its first year of operation shall be required to attend a
6 business management training course administered by the
7 department; provided that:

8 (1) The department shall not charge any fees for the
9 course; and

10 (2) The department shall waive the course requirement if
11 the incorporators can demonstrate a reasonable level
12 of business knowledge."

13 SECTION 4. Section 414D-33, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§414D-33 Incorporation.** (a) A corporation's existence
16 begins when the articles of incorporation are filed with the
17 department director.

18 (b) The department director's filing of the articles of
19 incorporation is conclusive proof that the incorporators
20 satisfied all conditions precedent to incorporation except in a
21 proceeding by the State to cancel or revoke the incorporation or
22 involuntarily dissolve the corporation.



1 (c) Incorporators who anticipate at the time of filing
2 that the corporation shall employ not more than ten employees
3 during its first year of operation shall be required to attend a
4 business management training course administered by the
5 department; provided that:

6 (1) The department shall not charge any fees for the
7 course; and:

8 (2) The department shall waive the course requirement if
9 the incorporators can demonstrate a reasonable level
10 of business knowledge."

11 SECTION 5. Section 425-1, Hawaii Revised Statutes, is
12 amended by amending subsection (a) to read as follows:

13 "(a) Whenever any general partnership is formed under the
14 laws of this State to do business in this State, or any general
15 partnership formed under the laws of any other jurisdiction
16 shall do business in this State, the partnership shall file in
17 the office of the director of commerce and consumer affairs the
18 registration and annual statements prescribed in this chapter.
19 A registration statement shall be filed by a partnership formed
20 under the laws of this State within thirty days after the
21 partnership is formed and by a partnership formed under the laws
22 of any other jurisdiction within thirty days after the



1 commencement of business in this State. Every registration
2 statement shall contain the following information:

- 3 (1) The name of the partnership;
- 4 (2) The name and address of each partner;
- 5 (3) The mailing address of the partnership's principal
6 office, the street address of the partnership's
7 registered office in this State, and the name of its
8 registered agent at its registered office in this
9 State; provided that if the partnership is one formed
10 under the laws of any other jurisdiction, the name of
11 the jurisdiction shall also be specified;
- 12 (4) The date the partnership was formed and, if the
13 partnership is one formed under the laws of any other
14 jurisdiction, the date the partnership commenced
15 business in this State; and
- 16 (5) The fact that none of the partners is either a minor
17 or an incompetent person.

18 The partners of any partnership that anticipates at the
19 time of registration that the partnership shall employ not more
20 than ten employees during its first year of operation shall be
21 required to attend a business management training course
22 administered by the department; provided that:



1 (1) The department shall not charge any fees for the
2 course; and

3 (2) The department shall waive the course requirement if
4 the partners can demonstrate a reasonable level of
5 business knowledge."

6 SECTION 6. Section 428-202, Hawaii Revised Statutes, is
7 amended by amending subsection (b) to read as follows:

8 "(b) The existence of a limited liability company begins
9 when the articles of organization are filed. The members of any
10 limited liability company that anticipate at the time of filing
11 that the limited liability company shall employ not more than
12 ten employees during its first year of operation shall be
13 required to attend a business management training course
14 administered by the department; provided that:

15 (1) The department shall not charge any fees for the
16 course; and

17 (2) The department shall waive the course requirement if
18 the members can demonstrate a reasonable level of
19 business knowledge."

20 SECTION 7. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so
22 much thereof as may be necessary for fiscal year 2009-2010 and



1 the same sum or so much thereof as may be necessary for fiscal
2 year 2010-2011 for the establishment and implementation of a
3 business management training course for small businesses.

4 The sums appropriated shall be expended by the department
5 of commerce and consumer affairs for the purposes of this Act.

6 SECTION 8. This Act does not affect rights and duties that
7 matured, penalties that were incurred, and proceedings that were
8 begun, before its effective date.

9 SECTION 9. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 10. This Act shall take effect upon its approval.

12

INTRODUCED BY: Clarence K. Friskhara



Report Title:

Small Businesses; Training

Description:

Requires business registrants with 10 or fewer anticipated employees to attend business management training courses.

