

JAN 23 2009

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 Title 32 Code of Federal
15 Regulations section 232.3, 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 Title 32
18 Code of Federal Regulations section 232.3, 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 Title 32 Code of
9 Federal Regulations section 232.3, as published on August 31,
10 2007, in volume 72 of the Federal Register, shall comply with
11 the provisions of section 670 of Public Law 109-364 and Title 32
12 Code of Federal Regulations section 232.3, as published on
13 August 31, 2007, in volume 72 of the Federal Register pertaining
14 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 Title 32 Code of Federal Regulations section 232.3, as published
22 on August 31, 2007, in volume 72 of the Federal Register, shall



1 comply with the provisions of section 670 of Public Law 109-364
2 and Title 32 Code of Federal Regulations section 232.3, as
3 published on August 31, 2007, in volume 72 of the Federal
4 Register pertaining to the extending of consumer credit."

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

8 "§412:9- Terms of credit extended to military personnel
9 and family members. Any financial services loan company that
10 extends consumer credit to a covered borrower, as defined in
11 Title 32 Code of Federal Regulations section 232.3, as published
12 on August 31, 2007, in volume 72 of the Federal Register, shall
13 comply with the provisions of section 670 of Public Law 109-364
14 and Title 32 Code of Federal Regulations section 232.3, as
15 published on August 31, 2007, in volume 72 of the Federal
16 Register pertaining to the extending of consumer credit."

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

20 "§412:10- Terms of credit extended to military
21 personnel and family members. Any credit union that extends
22 consumer credit to a covered borrower, as defined in Title 32



1 Code of Federal Regulations section 232.3, as published on
 2 August 31, 2007, in volume 72 of the Federal Register, shall
 3 comply with the provisions of section 670 of Public Law 109-364
 4 and Title 32 Code of Federal Regulations section 232.3, as
 5 published on August 31, 2007, in volume 72 of the Federal
 6 Register pertaining to the extending of consumer credit."

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

10 "§477E- Terms of credit extended to military personnel
 11 and family members. Any creditor that extends consumer credit
 12 to a covered borrower, as defined in Title 32 Code of Federal
 13 Regulations section 232.3, as published on August 31, 2007, in
 14 volume 72 of the Federal Register, shall comply with the
 15 provisions of section 670 of Public Law 109-364 and Title 32
 16 Code of Federal Regulations section 232.3, as published on
 17 August 31, 2007, in volume 72 of the Federal Register pertaining
 18 to the extending of consumer credit."

19 SECTION 8. New statutory material is underscored.

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

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INTRODUCED BY:

Will Evers
Patricia...
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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.

