

JAN 18 2013

A BILL FOR AN ACT

RELATING TO AGRICULTURAL DEVELOPMENT.

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

1 SECTION 1. Section 163D-17, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) The corporation shall not make investments in
4 qualified securities issued by an enterprise in excess of the
5 following limits:

6 (1) Not more than [~~\$500,000~~] \$3,000,000 shall be invested
7 in the securities of any one enterprise, except that
8 more than a total of [~~\$500,000~~] \$3,000,000 may be
9 invested in the securities of any one enterprise, if
10 the corporation finds, after its initial investment,
11 that additional investments in that enterprise are
12 required to protect the initial investment of the
13 corporation, and the other findings set forth in
14 subsections (d) and (e) are made as to the additional
15 investment;

16 (2) The corporation shall not own securities representing
17 more than forty-nine per cent of the voting stock of
18 any one enterprise at the time of purchase by the



1 corporation after giving effect to the conversion of
 2 all outstanding convertible securities of the
 3 enterprise, except that in the event of severe
 4 financial difficulty of the enterprise, threatening
 5 the investment of the corporation in the enterprise, a
 6 greater percentage of those securities may be owned by
 7 the corporation; and
 8 (3) Not more than fifty per cent of the assets of the
 9 corporation shall be invested in direct investments at
 10 any time."

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 Statutory material to be repealed is bracketed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

13 SECTION 3. This Act shall take effect on July 1, 2013.

14

INTRODUCED BY: *Diana Gutierrez*
Melissa Jimenez
Clarena K. Espinoza

Report Title:

Agriculture; Hawaii Agricultural Development Revolving Fund;
Corporation Funds

Description:

Increases the agribusiness development corporation's limit on
investments in qualified securities of any one enterprise to
\$3,000,000.

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*

