
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. (a) There is established in each public high
2 school a mock credit union special fund that shall be exempt
3 from chapter 412, Hawaii Revised Statutes, and shall be
4 administered by the principal of each school. The purpose of
5 the special fund in each school shall be to provide short-term
6 loans to students of that school to finance, produce, and sell
7 products for entrepreneurial projects that are sponsored by that
8 school; provided that:

- 9 (1) No single loan transaction shall exceed \$100;
- 10 (2) Each loan shall be co-signed by the student's parent
11 or legal guardian; and
- 12 (3) The student presents, with the loan application, a
13 business plan that shall include:
- 14 (A) A prototype of the product to be sold;
- 15 (B) The number of items to be produced; and
- 16 (C) A repayment schedule.
- 17 (b) The revenues of the special fund shall consist of:



- 1 (1) Loan repayments;
- 2 (2) Fees and fines;
- 3 (3) Gifts, donations, and grants from any source; and
- 4 (4) Legislative appropriations.

5 (c) The department of education shall adopt rules for the
6 uniform implementation of this Act among the public high
7 schools, including forms for loan applications and business
8 plans.

9 SECTION 2. The department of education shall submit
10 interim reports and a final report to the legislature not later
11 than twenty days prior to the convening of the 2017, 2018, 2019,
12 2020, and 2021 regular sessions on its findings and
13 recommendations on the mock credit union and loan program
14 established pursuant to this Act.

15 SECTION 3. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so much
17 thereof as may be necessary for fiscal year 2016-2017 for
18 deposit into the mock credit union special funds established
19 under this Act.

20 There is appropriated out of the mock credit union special
21 funds the sum of \$ or so much thereof as may be



H.B. NO. 2442

1 necessary for fiscal year 2016-2017 for the purposes of this
2 Act.

3 The sum appropriated shall be expended by the department of
4 education for the purposes of this Act.

5 SECTION 4. This Act shall take effect on July 1, 2016 and
6 shall be repealed on June 30, 2020.

7

INTRODUCED BY:

[Signature]
James P. Matthews
[Signature]
James J. Adams
Felix Poul
Linda deBingame
[Signature]
Fakela On
[Signature]

JAN 26 2016



H.B. NO. 2442

Report Title:

High School; Credit Union; Pilot Project; Appropriation

Description:

Temporarily creates credit unions for high school students.
Appropriates funds for the program.

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

