

JAN 17 2024

A BILL FOR AN ACT

RELATING TO INSTALLMENT LOANS.

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

1 SECTION 1. Section 480J-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "installment lender" or
3 "lender" to read as follows:
4 "Installment lender" or "lender" means any person not
5 exempt under section 480J-32 who is in the business of offering
6 or making [~~a consumer loan,~~] installment loans, who arranges [a
7 ~~consumer loan~~] installment loans for a third party[~~,~~] required
8 by this chapter to be licensed, or who acts as an agent for a
9 third party[~~, regardless of whether the third party is exempt~~
10 ~~from licensure under this chapter or whether approval,~~
11 ~~acceptance, or ratification by the third party is necessary to~~
12 ~~create a legal obligation for the third party,~~] required by this
13 chapter to be licensed with respect to the third party's
14 offering, making, or arranging of installment loans, through any
15 method including mail, telephone, the Internet, or any
16 electronic means."

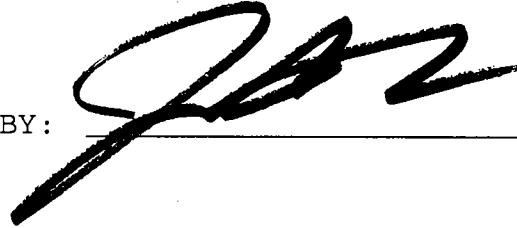


1 SECTION 2. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 3. This Act shall take effect on July 1, 2024.

4

INTRODUCED BY: _____

A large, bold, handwritten signature in black ink is written over the horizontal line following the text "INTRODUCED BY:". The signature is stylized and appears to be the name of the bill's sponsor.

S.B. NO. 2112

Report Title:

Installment Lender; Lender; Division of Financial Institutions

Description:

Amends the definition of the term "installment lender" to clarify that the law is not intended to eliminate the ability of lenders to make low interest rate loans under the interest and usury law. Removes the term "consumer loan" to consistently use the defined term "installment loan".

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

