

A Bill for an Act Relating to Industrial Loan Companies.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 408-11 of the Hawaii Revised Statutes is amended by deleting the second sentence thereof.

SECTION 2. Section 408-11 of the Hawaii Revised Statutes is amended by amending the last sentence to read as follows:

“It shall be unlawful to conduct an industrial loan business unless the license is prominently displayed by the licensee.”

SECTION 3. Section 408-14 of the Hawaii Revised Statutes is amended by changing the last paragraph to read as follows:

“Every industrial loan company shall, as of July 1, 1969, maintain and have on hand at all times a cash or other security reserve in an amount equal to three per cent of its liabilities on outstanding certificates, and after December 31, 1969, maintain and have on hand at all times a cash or other security reserve in an amount equal to four per cent of its liabilities on outstanding certificates, which reserve shall not be pledged.”

The security reserve shall be limited to direct obligations of the United States government, state, county, and securities listed on the New York stock exchange and the American stock exchange and no more than 25 per cent of the total reserve of cash and other security shall be held in securities listed on the New York stock exchange and the American stock exchange.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 24, 1969.)