

ACT 255

H.B NO. 654

A Bill for an Act Relating to Acquisition of Voting Stock by Foreign Investors.

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

SECTION 1. Section 403-38.5, Hawaii Revised Statutes, is repealed.

SECTION 2. Chapter 403, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and read as follows:

“§403- Bank control; filing requirements. (a) No corporation or individual shall acquire control, whether directly or indirectly, of a corporation organized under the laws of the State and subject to chapter 403, unless:

- (1) At least sixty days prior to the proposed acquisition the bank examiner has received a copy of the notice filed with the Federal Deposit Insurance Corporation pursuant to the Change In Bank Control Act of 1978, 12 U.S.C. §1817(j)(6); and
 - (2) The bank examiner has submitted appropriate views and recommendations on the proposed acquisition to the Federal Deposit Insurance Corporation.
- (b) For purposes of this section “control” means:
- (1) The power, directly or indirectly, to direct the management or policies of a bank or to vote twenty-five per cent or more of any class of voting securities of a bank.
 - (2) The acquisition of ten per cent or more of a class of voting securities of a bank holding company if:
 - (A) The institution has issued any class of securities subject to registration under section 12 of the Securities Exchange Act of 1934; or
 - (B) Immediately after the transaction no other person will own a greater proportion of that class of voting securities.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.¹

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

(Approved June 4, 1984.)

Note

1. Edited pursuant to HRS §23G-16.5.