

ACT 269

H.B. NO. 1637

A Bill for an Act Relating to Interest and Usury.

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

SECTION 1. Section 478-1, Hawaii Revised Statutes, is amended by amending the definitions of “consumer credit” and “home business loan” to read:

““Consumer credit” means credit extended to a natural person primarily for a personal, family, or household purpose:

- (1) In which the principal amount does not exceed [\$100,000] \$250,000 or in which there is an express written commitment to extend credit in a principal amount not exceeding [\$100,000;] \$250,000; or
- (2) Such credit is secured by real property or by personal property used or expected to be used as the borrower’s principal dwelling.

“Home business loan” means a credit transaction [(a)] (1) in which the principal amount does not exceed [\$100,000] \$250,000 or in which there is an express written commitment to extend credit in a principal amount not exceeding [\$100,000,] \$250,000; [(b)] (2) which is not a consumer credit transaction[,]; and [(c)] (3) which is secured by a mortgage of the principal dwelling of any natural person who is a mortgagor named in the mortgage given as security in connection with the credit transaction.”

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 Statutory material to be repealed is bracketed.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

SECTION 3. This Act shall take effect upon its approval.

(Approved June 8, 1989.)