

ACT 27

H.B. NO. 3396

A Bill for an Act Relating to Escrow Depositories.

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

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding to article 20 a new section to be appropriately designated and to read as follows:

“§431:20- Escrow depositories. Any title insurer or insurer which operates as an escrow depository as defined in chapter 449 shall be licensed in accordance with chapter 449.”

SECTION 2. Section 449-3, Hawaii Revised Statutes, is amended to read as follows:

“§449-3 Excepted from this chapter. This chapter does not apply to any of the following when acting as escrow depositories:

- (1) Banks, trust companies, and savings and loan associations, [and insurance companies,] authorized under any law of this State or of the United States to do business in the State;
- (2) Any person licensed as a real estate broker in the State who is the broker for a party to the escrow, provided the person does not charge any escrow fee; and
- (3) Any person licensed to practice law in the State who, in escrow, is not acting as the employee of a corporation, provided the person does not charge any escrow fee.”

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 Statutory material to be repealed is bracketed.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

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

(Approved April 22, 1996.)

Note

1. Edited pursuant to HRS §23G-16.5.