

## ACT 75

H.B. NO. 2482

A Bill for an Act Relating to Control Share Acquisitions.

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

Section 1. Section 415-171, Hawaii Revised Statutes, is amended by amending the definition of “control share acquisition” to read as follows:

““Control share acquisition” means an acquisition of shares of an issuing public corporation resulting in beneficial ownership by an acquiring person of a new range of voting power specified in this part, but does not include an acquisition:

- (1) Before, or pursuant to an agreement entered into before the effective date of this part;
- (2) By a donee pursuant to an inter vivos gift not made to avoid this part or by a distributee as defined in chapter 560;
- (3) Pursuant to a security agreement not created to avoid this part;
- (4) [Under chapter 417E, if the issuing public corporation is a party to the transaction; or] Pursuant to a merger or share exchange executed in accordance with applicable law, if the issuing public corporation is a party to the plan of merger or share exchange;
- (5) From the issuing public corporation[.];
- (6) That is approved by resolution of the board of directors of the issuing public corporation before the acquisition occurs; or
- (7) That the board of directors of the issuing public corporation determines, by resolution before the acquisition occurs, is not a control share acquisition.”

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 Statutory material to be repealed is bracketed.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

SECTION 3. This Act shall take effect on July 1, 2000.

(Approved April 27, 2000.)