
A BILL FOR AN ACT

RELATING TO BONDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. Section 46-102, Hawaii Revised Statutes, is
3 amended as follows:

4 1. By adding a new definition to be appropriately inserted
5 and to read:

6 ""Resilient infrastructure for shelter and equity bonds"
7 has the same meaning as in article VII, section 12, of the
8 Hawaii State Constitution that are issued pursuant to this
9 part."

10 2. By amending the definitions of "adjustment rate",
11 "assessment base", and "assessment increment" to read:

12 ""Adjustment rate" means a percentage rate or rates of
13 adjustment of the assessment base determined by the director of
14 finance at the time the [~~tax increment~~] resilient infrastructure
15 for shelter and equity district is established, based on the
16 historical and projected increases to the assessed values of
17 taxable real property within the boundary of the [~~tax increment~~]



1 resilient infrastructure for shelter and equity district and the
2 projected cost increases to the county for servicing the new
3 developments within the [~~tax increment~~] resilient infrastructure
4 for shelter and equity district."

5 "Assessment base" means the total assessed values of all
6 taxable real property in a [~~tax increment~~] resilient
7 infrastructure for shelter and equity district as most recently
8 certified by the director of finance on the date of creation of
9 the [~~tax increment~~] resilient infrastructure for shelter and
10 equity district.

11 "Assessment increment" means the amount by which the
12 current assessed values of taxable real property located within
13 the boundaries of a [~~tax increment~~] resilient infrastructure for
14 shelter and equity district exceeds its assessment base."

15 3. By amending the definitions of "council" and "county"
16 to read:

17 ""Council" means the council of the county in which a [~~tax~~
18 ~~increment~~] resilient infrastructure for shelter and equity
19 district is situated.



1 "County" has the same meaning as [~~set forth~~] in section 1-
2 22 and means the county in which a [~~tax increment~~] resilient
3 infrastructure for shelter and equity district is situated."

4 4. By amending the definition of "project costs" to read:

5 ""Project costs" means expenditures made or estimated to be
6 made or monetary obligations incurred or estimated to be
7 incurred by the agency that are listed in a [~~tax increment~~]
8 resilient infrastructure for shelter and equity financing plan
9 as costs of public works or public improvements in a [~~tax~~
10 ~~increment~~] resilient infrastructure for shelter and equity
11 district, plus other costs incidental to the expenditures or
12 obligations. Project costs include:

13 (1) Capital costs, including the actual costs of the
14 construction of public works or public improvements,
15 new buildings, structures, and fixtures; the actual
16 costs of the demolition, alteration, remodeling,
17 repair, or reconstruction of existing buildings,
18 structures, and fixtures; and the actual costs of the
19 acquisition, clearing, and grading of land;

20 (2) Financing costs, including[~~, but not limited to,~~] all
21 necessary and incidental expenses related to the



- 1 issuance of [~~tax increment~~] resilient infrastructure
2 for shelter and equity bonds and all interest paid to
3 holders of evidences of indebtedness or other
4 obligations issued to pay for project costs, any
5 capitalized interest, the funding or replenishment of
6 any reserves securing the payment of the resilient
7 infrastructure for shelter and equity bonds, and any
8 premium paid over the principal amount of the
9 obligations because of the redemption of the
10 obligations prior to maturity;
- 11 (3) Professional service costs, including architectural,
12 planning, engineering, marketing, appraisal, financial
13 consultant, and special services and legal advice;
- 14 (4) Imputed administrative costs, including reasonable
15 charges for the time spent by employees of the agency
16 in connection with the implementation of a [~~tax~~
17 ~~increment~~] resilient infrastructure for shelter and
18 equity financing plan;
- 19 (5) Relocation costs to the extent required by federal or
20 state law;



- 1 (6) Organizational costs, including the costs of
2 conducting environmental impact studies or other
3 studies, the costs of publicizing the creation of a
4 ~~[tax increment]~~ resilient infrastructure for shelter
5 and equity district, and the cost of implementing the
6 ~~[tax increment]~~ resilient infrastructure for shelter
7 and equity financing plan for the ~~[tax increment]~~
8 resilient infrastructure for shelter and equity
9 district; and
- 10 (7) Payments determined by the county council to be
11 necessary or convenient to the creation of a ~~[tax~~
12 ~~increment]~~ resilient infrastructure for shelter and
13 equity district or to the implementation of the ~~[tax~~
14 ~~increment]~~ resilient infrastructure for shelter and
15 equity financing plan for the ~~[tax increment]~~
16 resilient infrastructure for shelter and equity
17 district."
- 18 5. By amending the definitions of "tax increment
19 district", "tax increment financing plan", and "tax increment
20 fund" to read:



1 "~~["Tax increment]~~ "Resilient infrastructure for shelter and
2 equity district" or "district" means a contiguous or
3 noncontiguous geographic area designated pursuant to section 46-
4 103 by the county council for the purpose of ~~["tax increment]~~
5 resilient infrastructure for shelter and equity financing.

6 "~~["Tax increment]~~ "Resilient infrastructure for shelter and
7 equity financing plan" means the plan for ~~["tax increment]~~
8 resilient infrastructure for shelter and equity financing for a
9 ~~["tax increment]~~ resilient infrastructure for shelter and equity
10 district submitted to the county council. The ~~["tax increment]~~
11 resilient infrastructure for shelter and equity financing plan
12 shall contain estimates of: ~~["project]~~

- 13 (1) Project costs; ~~["amount]~~
- 14 (2) The amount of ~~["tax increment]~~ resilient infrastructure
15 for shelter and equity bonds to be issued; ~~["sources]~~
- 16 (3) Sources of revenue to finance or otherwise pay project
17 costs; ~~["the]~~
- 18 (4) The most recent assessed value of taxable real
19 property in the district; ~~["the]~~
- 20 (5) The duration of the district's existence; and
21 ~~["statements]~~



1 (6) Statements from the county's department of finance,
2 and the county's department of budget, if applicable,
3 regarding the financial and budgetary impacts on the
4 county resulting from the proposed [~~tax increment~~]
5 resilient infrastructure for shelter and equity
6 financing plan.

7 [~~"Tax increment~~] "Resilient infrastructure for shelter and
8 equity fund" means a fund [~~which shall be~~] held by the director
9 of finance or other fiduciary designated by the county council
10 and into which all tax increments and other moneys pledged by
11 the county for payment of [~~tax increment~~] resilient
12 infrastructure for shelter and equity bonds are paid, and all
13 proceeds from the sale of [~~tax increment~~] resilient
14 infrastructure for shelter and equity bonds are deposited, and
15 from which moneys are disbursed to pay project costs for the
16 [~~tax increment~~] resilient infrastructure for shelter and equity
17 district or to satisfy claims of holders of [~~tax increment~~]
18 resilient infrastructure for shelter and equity bonds issued for
19 the district."

20 6. By repealing the definition of "tax increment bonds".



1 [~~"Tax increment bonds" mean bonds, notes, interim~~
2 ~~certificates, debentures, or other obligations issued pursuant~~
3 ~~to this part."~~]

4 SECTION 2. Section 46-104, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§46-104 County powers.** A county may exercise any power
7 necessary and convenient to establish [~~tax increment~~] resilient
8 infrastructure for shelter and equity districts, including the
9 power to:

- 10 (1) Create [~~tax increment~~] resilient infrastructure for
11 shelter and equity districts and determine the
12 boundaries of the districts;
- 13 (2) Issue [~~tax increment~~] resilient infrastructure for
14 shelter and equity bonds;
- 15 (3) Deposit tax increments into the [~~tax increment~~]
16 resilient infrastructure for shelter and equity fund
17 created for a [~~tax increment~~] resilient infrastructure
18 for shelter and equity district; and
- 19 (4) Enter into agreements, including agreements with [~~the~~]
20 any redevelopment agency and owners or developers of
21 project lands and bondholders, determined to be



1 necessary or convenient to implement redevelopment
2 plans or community development plans, as the case may
3 be, and achieve their purposes."

4 SECTION 3. Section 46-105, Hawaii Revised Statutes, is
5 amended by amending subsection (b) to read as follows:

6 "(b) If a county exercises the power allowed under this
7 part, then commencing with the first payment of real property
8 taxes levied by the county subsequent to the time a [~~tax~~
9 ~~increment~~] district takes effect, receipts from real property
10 taxes shall be allocated and paid over as follows:

11 (1) The amount of real property tax produced from the
12 assessment base shall be paid to the county general
13 fund; and

14 (2) The tax increments produced from the assessment
15 increment in the [~~tax-increment~~] resilient
16 infrastructure for shelter and equity district shall
17 be applied as follows:

18 (A) First, an amount equal to the installment of (i)
19 principal and interest falling due of any [~~tax~~
20 ~~increment~~] resilient infrastructure for shelter
21 and equity bonds, or (ii) any project cost



1 approved by the county, shall be deposited into
2 the [~~tax increment~~] resilient infrastructure for
3 shelter and equity fund established for the [~~tax~~
4 ~~increment~~] resilient infrastructure for shelter
5 and equity district[-];

6 (B) Second, an amount equal to the adjustment rate
7 times the amount of real property tax produced
8 from the assessment base shall be computed and
9 paid to the county general fund[-]; and

10 (C) Third, the remaining amount of tax increments, if
11 any, shall be deposited into the [~~tax increment~~]
12 resilient infrastructure for shelter and equity
13 fund established for the [~~tax increment~~]
14 resilient infrastructure for shelter and equity
15 district."

16 SECTION 4. Section 46-106, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§46-106** [~~Tax increment~~] **Resilient infrastructure for**
19 **shelter and equity** bonds. (a) A county may issue [~~tax~~
20 ~~increment~~] resilient infrastructure for shelter and equity
21 bonds, the proceeds of which may be used to pay project costs



1 for a [~~tax-increment~~] resilient infrastructure for shelter and
2 equity district or to satisfy claims of bondholders. The county
3 may issue refunding bonds [~~previously issued by the county~~] for
4 the purpose of paying or retiring resilient infrastructure for
5 shelter and equity bonds previously issued by the county, or in
6 exchange for [~~tax-increment~~] resilient infrastructure for
7 shelter and equity bonds previously issued by the county.
8 Principal and interest on [~~tax-increment~~] resilient
9 infrastructure for shelter and equity bonds shall be made
10 payable, as to both principal and interest, solely from the [~~tax~~
11 ~~increment~~] resilient infrastructure for shelter and equity fund
12 established for the [~~tax-increment~~] resilient infrastructure for
13 shelter and equity district.

14 A county may provide in its contract with the owners or
15 holders of the [~~tax-increment~~] resilient infrastructure for
16 shelter and equity bonds that the county will pay into the [~~tax~~
17 ~~increment~~] resilient infrastructure for shelter and equity fund
18 all or any part of the revenue or money produced or received as
19 a result of the operation or sale of a facility acquired,
20 improved, or constructed pursuant to a redevelopment plan or
21 community development plan, as the case may be, to be used to



1 pay principal and interest on the [~~tax-increment~~] resilient
2 infrastructure for shelter and equity bonds and, if a county so
3 agrees, the owners or holders of the [~~tax-increment~~] resilient
4 infrastructure for shelter and equity bonds may have a lien or
5 mortgage on any facility acquired, improved, or constructed with
6 the proceeds of the [~~tax-increment~~] resilient infrastructure for
7 shelter and equity bonds.

8 (b) [~~Tax-increment~~] Resilient infrastructure for shelter
9 and equity bonds, and the income therefrom, issued pursuant to
10 this part shall be exempt from all state and county taxation,
11 except estate and transfer taxes.

12 The bonds shall be authorized by ordinance and may be
13 issued in one or more series. The [~~tax-increment~~] resilient
14 infrastructure for shelter and equity bonds of each issue shall
15 be dated, be payable upon demand or mature at a time or times
16 not exceeding thirty years from their date of issuance, bear
17 interest at a rate or rates, be in a denomination or
18 denominations, be in registered form, have a rank or priority,
19 be executed in a manner, be payable in a medium of payment at a
20 place or places, and be subject to terms of redemption (with or
21 without premium), be secured in a manner, and have other



1 characteristics as may be provided by the ordinance providing
2 for issuance of the bonds or by the trust indenture or mortgage
3 issued in connection with the bonds. The county may sell [~~tax~~
4 ~~increment~~] resilient infrastructure for shelter and equity bonds
5 in such manner, either at public or private sale, and for such
6 price as it may determine.

7 (c) Prior to the preparation of definitive [~~tax increment~~]
8 resilient infrastructure for shelter and equity bonds, the
9 county may issue interim receipts or temporary bonds
10 exchangeable for definitive bonds when such bonds have been
11 executed and are available for delivery.

12 (d) Should any bond issued under this part become
13 mutilated or be lost, stolen, or destroyed, the county may cause
14 a new bond of like date, number, and tenor to be executed and
15 delivered in exchange and substitution for, and upon the
16 cancellation of such mutilated bond, or in lieu of and in
17 substitution for such lost, stolen, or destroyed bond. Such new
18 bond shall not be executed or delivered until the holder of the
19 mutilated, lost, stolen, or destroyed bond:

20 (1) Has paid reasonable expenses and charges in connection
21 therewith;



1 (2) In the case of a lost, stolen, or destroyed bond, has
2 filed with the county or its fiduciary satisfactory
3 evidence that such bond was lost, stolen, or
4 destroyed, and that the holder was owner thereof; and

5 (3) Has furnished indemnity satisfactory to the county.

6 (e) Notwithstanding any of the provisions of this part or
7 any recital in any [~~tax increment~~] resilient infrastructure for
8 shelter and equity bond issued under this part, all [~~tax~~
9 ~~increment~~] resilient infrastructure for shelter and equity bonds
10 shall be deemed to be investment securities under the Uniform
11 Commercial Code, chapter 490, subject only to the provisions
12 pertaining to registration.

13 (f) In any suit, action, or other proceeding involving the
14 validity or enforceability of a bond issued under this part or
15 the security for a bond or note issued under this part, a bond
16 reciting in substance that it had been issued by the county for
17 a [~~tax increment~~] resilient infrastructure for shelter and
18 equity district shall be conclusively deemed to have been issued
19 for that purpose, and the development or redevelopment of the
20 district conclusively shall be deemed to have been planned,
21 located, and carried out as provided by this part.



1 (g) All banks, trust companies, savings banks and
2 institutions, building and loan associations, savings and loan
3 associations, investment companies, and other persons carrying
4 on a banking or investment business; all insurance companies,
5 insurance associations, and other persons carrying on an
6 insurance business; and all personal representatives,
7 administrators, curators, trustees, and other fiduciaries
8 legally may invest sinking funds, money, or other funds
9 belonging to them or within their control in [~~tax increment~~]
10 resilient infrastructure for shelter and equity bonds issued by
11 a county pursuant to this part. The bonds shall be authorized
12 security for all public deposits. Any person, political
13 subdivision, and officer, public or private, are authorized to
14 use funds owned or controlled by them for the purchase of [~~tax~~
15 ~~increment~~] resilient infrastructure for shelter and equity
16 bonds. This part does not relieve any person of the duty to
17 exercise reasonable care in selecting securities.

18 (h) [~~Tax increment~~] Resilient infrastructure for shelter
19 and equity bonds shall be payable only out of the [~~tax~~
20 ~~increment~~] resilient infrastructure for shelter and equity fund.
21 The county council may pledge irrevocably all or a part of the



1 fund for payment of the bonds. The part of the fund pledged in
2 payment thereafter shall be used only for the payment of the
3 bonds or interest or redemption premium, if any, on the bonds
4 until the bonds have been fully paid. A holder of the bonds
5 shall have a lien against the fund for payment of the bonds and
6 interest thereon and may either at law or in equity protect and
7 enforce such lien.

8 (i) No officer of the county, including any officer
9 executing [~~tax increment~~] resilient infrastructure for shelter
10 and equity bonds, shall be liable for the [~~tax increment~~]
11 resilient infrastructure for shelter and equity bonds by reason
12 of the issuance thereof. [~~Tax increment~~] Resilient
13 infrastructure for shelter and equity bonds issued under this
14 part shall not be general obligations of the State or county,
15 nor in any event shall they give rise to a charge against the
16 general credit or taxing powers of the State or county or be
17 payable other than as provided by this part. No holder of bonds
18 issued under this part shall have the right to compel any
19 exercise of the taxing power of the State or county to pay such
20 bonds or the interest thereon, and no moneys other than the
21 moneys in the [~~tax increment~~] resilient infrastructure for



1 shelter and equity fund pledged to the bonds shall be applied to
2 the payment thereof. [~~Tax increment~~] Resilient infrastructure
3 for shelter and equity bonds issued under this part shall state
4 these restrictions on their face.

5 (j) The [~~tax increment~~] resilient infrastructure for
6 shelter and equity bonds bearing the signature or facsimile
7 signature of officers in office on the date of the signing
8 thereof shall be valid and sufficient for all purposes,
9 notwithstanding that before [~~the~~] delivery [~~thereof~~] and payment
10 [~~therefor~~], any or all persons whose signatures appear thereon
11 shall have ceased to be officers of the county.

12 (k) [~~Tax increment~~] Resilient infrastructure for shelter
13 and equity bonds shall not be issued in an amount exceeding the
14 total costs of implementing the [~~tax increment~~] resilient
15 infrastructure for shelter and equity financing plan for which
16 they were issued."

17 SECTION 5. Section 46-110, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§46-110** [~~Tax increment~~] **Resilient infrastructure for**
20 **shelter and equity** fund. (a) Money shall be disbursed from the
21 [~~tax increment~~] resilient infrastructure for shelter and equity



1 fund for a [~~tax increment~~] resilient infrastructure for shelter
2 and equity district only to satisfy the claims of holders of
3 [~~tax increment~~] resilient infrastructure for shelter and equity
4 bonds issued for the [~~tax increment~~] resilient infrastructure
5 for shelter and equity district or to pay project costs for the
6 district, or to make payments to the county as provided by
7 subsection (c).

8 (b) Subject to an agreement with the holders of [~~tax~~
9 ~~increment~~] resilient infrastructure for shelter and equity
10 bonds, money in a [~~tax increment~~] resilient infrastructure for
11 shelter and equity fund may be temporarily invested in the same
12 manner as other funds of the county.

13 (c) In any year in which the tax increment exceeds the
14 amount necessary to pay all project costs [~~and~~], all
15 installments of principal and interest of [~~tax increment~~]
16 resilient infrastructure for shelter and equity bonds issued for
17 a [~~tax increment~~] resilient infrastructure for shelter and
18 equity district falling due, the funding or replenishment of any
19 reserves securing the payment of any resilient infrastructure
20 for shelter and equity bonds, and the amount paid to the county
21 general fund pursuant to section 46-105(b) (2) (B), and subject to



1 any agreement with bondholders, any excess money in the fund at
2 the option of the county council, shall be used to redeem or
3 purchase any outstanding [~~tax increment~~] resilient
4 infrastructure for shelter and equity bonds issued for the
5 district, discharge the pledge of tax increment therefor, be
6 paid into an escrow account dedicated to the payment of [~~such~~]
7 the bonds, be paid over to the county general fund, or any
8 combination thereof."

9 SECTION 6. Sections 46-101, 46-103, 46-107, 46-108, 46-
10 109, 46-111, and 46-112, Hawaii Revised Statutes, are amended by
11 substituting the term "resilient infrastructure for shelter and
12 equity", or similar term, wherever the term "tax increment", or
13 similar term, appears as the context requires.

14 PART II

15 SECTION 7. Section 47C-1, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "**§47C-1 Definitions.** As used in sections 47C-1 through
18 47C-6, the following words and terms shall have the following
19 meanings or inclusions:

20 "Chairperson of the finance committee" [~~shall mean~~] means
21 the chairperson of the finance committee of the council of the



1 county, or if the council of the county does not have a finance
2 committee, the member of the council appointed by the council to
3 perform the functions required by this chapter to be performed
4 by the chairperson of the finance committee of the council.

5 "Corporation counsel" [~~shall mean~~] means the chief legal
6 advisor or legal representative of the county.

7 "County" [~~shall include~~] includes each county of the State,
8 including the city and county of Honolulu.

9 "Director of finance" [~~shall mean~~] means the director of
10 finance of the county, or if the county does not have a director
11 of finance, the officer of the county in whom is vested the
12 functions and powers of maintaining the treasury of the county
13 and issuing and selling, paying interest on, and redeeming bonds
14 of the county.

15 "Fiscal year" [~~shall mean~~] means the fiscal year of the
16 county as defined in section 46-41.

17 "Special assessment bonds" [~~shall mean~~] means bonds issued
18 under special improvement statutes when the only security for
19 [~~such~~] the bonds is the assessments or special taxes levied and
20 assessed under those statutes or properties subject to the
21 assessments or special taxes.



1 As used in sections 47C-1 through 47C-6, the words or terms
2 "bonds", "general obligation bonds", "resilient infrastructure
3 for shelter and equity bonds", "net revenue", "net user tax
4 receipts", "reimbursable general obligation bonds", "revenue
5 bonds", "special purpose revenue bonds", and "user tax" shall
6 have the respective meanings and inclusions given to [~~such~~]
7 those words and terms in [~~section 12 of article VII of the~~
8 ~~constitution.~~] article VII, section 12, of the Hawaii State
9 Constitution."

10 SECTION 8. Section 47C-2, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§47C-2 Determination of funded debt.** Within ninety days
13 after the first day of each fiscal year, the director of finance
14 of each county shall ascertain and set forth in a tabular
15 summary the total indebtedness of the county outstanding and
16 unpaid as of the first day of [~~such~~] that fiscal year. The
17 summary shall include the following:

18 (1) An itemization of the total principal amount of all
19 general obligation bonds, reimbursable general
20 obligation bonds, revenue bonds, special assessment
21 bonds, special purpose revenue bonds, resilient



1 infrastructure for shelter and equity bonds, and all
 2 other bonds of the county outstanding and unpaid,
 3 including bonds [~~which~~] that may be excluded under
 4 clauses 1, 2, 3, 4, 5, 6, 8, [~~and~~] 9, and 10 of
 5 [~~section 13 of article VII of the constitution~~]
 6 article VII, section 13, of the Hawaii State
 7 Constitution when determining the funded debt of the
 8 county for the purposes of that section together with
 9 a grand total of [~~such~~] the total principal
 10 amounts[~~-~~];

11 (2) The total principal amount of all bonds of the State
 12 required by clause [~~(7)~~] 7 of [~~section 13 of article~~
 13 ~~VII of the constitution~~] article VII, section 13, of
 14 the Hawaii State Constitution to be included when
 15 determining the funded debt of the county for the
 16 purposes of that section[~~-~~];

17 (3) A grand total of the total principal amounts set forth
 18 in the summary pursuant to paragraphs (1) and (2)[~~-~~];

19 (4) An itemization of the total of the principal amount of
 20 all general obligation bonds, reimbursable general
 21 obligation bonds, revenue bonds, special assessment



1 bonds, ~~[and]~~ special purpose revenue bonds, and
2 resilient infrastructure for shelter and equity bonds
3 of the county outstanding and unpaid ~~[which]~~ that may
4 be excluded under clauses 1, 2, 3, 4, 5, 6, 8, ~~[and]~~
5 9, and 10 of ~~[section 13 of article VII of the~~
6 ~~constitution]~~ article VII, section 13, of the Hawaii
7 State Constitution when determining the total funded
8 debt of the county for the purposes of that section,
9 together with a grand total of ~~[such]~~ the total
10 principal amounts~~[+]~~; and

11 (5) The difference between the grand total principal
12 amount set forth in the summary pursuant to
13 paragraph (3) and the grand total principal amount set
14 forth in the summary pursuant to paragraph (4).

15 The director of finance shall also prepare and attach to
16 the tabular summary ~~[such]~~ the supporting schedules as may be
17 required to set forth in detail the bonds included in the
18 itemizations required by paragraphs (1) and (4). ~~[Such]~~ The
19 supporting schedules shall also set forth or make reference to
20 the relevant statutory, charter, ordinance, or other legal
21 provision, and the relevant figures of assessment collections,



1 revenues, user tax receipts, cost of operation, maintenance and
2 repair, net revenues, net user tax receipts, reimbursements to
3 the general fund, and other financial information, justifying
4 the inclusion of [~~such~~] the bonds in the itemization required by
5 paragraph (4). The director of finance shall indicate in the
6 supporting schedules whether the financial findings and figures
7 are based upon the records of the director's office or upon
8 audited statements and reports, and if based upon the latter,
9 shall identify in the schedules the audited reports and
10 statements."

11 SECTION 9. Section 47C-3, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§47C-3 Supplemental determination.** Whenever the county
14 proposes to issue bonds, the director of finance shall prepare a
15 supplemental summary of the indebtedness of the county setting
16 forth [~~therein such~~] the information and findings as of a date
17 within thirty days of the delivery of [~~such~~] the bonds as will
18 bring up to date and make current the most recent summary
19 prepared in accordance with the provisions of section 47C-2.
20 The director of finance shall also prepare and attach to [~~such~~]
21 the supplemental summary [~~such~~] the supporting schedules [~~as~~]



1 that may be required to set forth in detail the variations and
2 changes from the summary prepared in accordance with
3 section 47C-2, including [~~such~~] the legal and financial findings
4 [~~as~~] that will justify any changes in the itemizations set forth
5 in [~~such~~] the previous summary pursuant to the requirements of
6 [~~paragraph (4) of section 47C-2.~~] section 47C-2(4). If all the
7 bonds proposed to be issued may be excluded when determining the
8 funded debt of the county for the purposes of [~~section 13 of~~
9 ~~article VII of the constitution~~] article VII, section 13, of the
10 Hawaii State Constitution by reason of the provisions of
11 clauses 2 [~~or~~], 4, or 10 of that section, the supplemental
12 summary and supporting schedules may be limited to [~~such~~] those
13 bonds and findings as are necessary to justify [~~such~~] the
14 exclusion under [~~such~~] those clauses.

15 In the event proceeds of the bonds proposed to be issued
16 are to be applied to the retirement in the then fiscal year of
17 outstanding bonds, including notes issued in anticipation of the
18 issuance of the bonds proposed to be issued, for the purpose of
19 applying the provisions of clause 1 of [~~section 13 of article~~
20 ~~VII of the constitution~~] article VII, section 13, of the Hawaii
21 State Constitution to the bonds to be retired, that amount of



1 [~~such~~] the proceeds to be [~~se~~] applied may be considered and
2 treated as moneys irrevocably set aside for the payment of
3 [~~such~~] the bonds."

4 PART III

5 SECTION 10. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 11. This Act shall take effect on July 1, 3000,
8 and upon ratification of a constitutional amendment expressly
9 providing that the legislature may authorize the counties to
10 issue resilient infrastructure for shelter and equity bonds and
11 excluding resilient infrastructure for shelter and equity bonds
12 from determinations of the funded debt of the counties.



Report Title:

Resilient Infrastructure for Shelter and Equity Bonds; Counties;
County Debt Limit Statements

Description:

Part I: Substitutes the word "tax increment" with "resilient infrastructure for shelter and equity" for purposes of the Resilient Infrastructure for Shelter and Equity Act, except under certain circumstances. Part II: Conforms state law concerning county debt limits to permit counties to exclude resilient infrastructure for shelter and equity bonds from the debt limit of the counties, if a constitutional amendment authorizing the use of resilient infrastructure for shelter and equity bonds and excluding resilient infrastructure for shelter and equity bonds from determinations of the counties' funded debt is ratified. Effective 7/1/3000. (HD2)

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