

ACT 2

S. B. NO. 58

A Bill for an Act Relating to Expenditures of Public Money and Public Contracts.

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

SECTION 1. Section 103-39, Hawaii Revised Statutes, is amended to read:

“Sec. 103-39. Contract not binding unless appropriation available. No such contract shall be binding or of any force unless the comptroller of the State or the director of finance of the county as the case may be, indorses thereon his certificate that there is an available unexpended appropriation or balance of an appropriation over and above all outstanding contracts suffi-

cient to cover the amount required by the contract; provided that this section shall not apply to any price-term, open-end, or requirements contract under which the total amount to be paid to the contractor cannot be accurately estimated at the time the contract is to be awarded.

In any contract involving not only local funds but supplemental funds from the federal government, this section shall be applicable only to that portion of the contract price involved in the contract as is payable out of local funds. As to such portion of the contract price as is expressed in the contract to be payable out of federal funds, such contract shall be construed to be an agreement to pay such portion to the contractor, only out of federal funds to be received from the federal government when the federal funds are so received, and shall not be construed as a general agreement to pay such portion at all events out of any funds other than those which are received from the federal government. This paragraph shall be liberally construed so as not to hinder or impede the State or any county in contracting for any project involving financial aid from the federal government.”

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

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

(Approved March 18, 1971.)

* Edited accordingly