

ACT 32

H. B. NO. 37

A Bill for an Act Relating to Sureties, Amending Section 78-20, Hawaii Revised Statutes.

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

SECTION 1. Section 78-20, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 78-20 Sureties. Whenever by any law, regulation, ordinance, rule or order of court, or any rule of any department of the state government or of any subdivision thereof, any person shall be required to give any written bond or undertaking for the performance of any contract or the provisions of any license, or for the indemnity or security of any person, party or any officer, there shall be attached to the bond or undertaking an affidavit of each of the sureties thereon, duly verified by oath, from which it shall appear that the sureties have property situate within the State subject to execution and that the sureties taken together are worth in the property the amount of the penalty specified in the bond or undertaking, over and above all of their debts and liabilities. In default of the justification no bond or undertaking shall be accepted. Notwithstanding any provision requiring two or more sureties, if any such bond or undertaking is executed by the principal and by any corporation, organized for the purpose of becoming surety on such bonds, authorized under the laws of the United States or of the State to act as surety, and doing busi-

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ness in the State under the provisions of the laws of the United States or of the State, if a foreign corporation, and under the laws of the State, if a Hawaiian corporation, the corporation may be accepted as sole surety on the bond, whenever, in the opinion of the officer or officers whose duty it is to approve the bond, the rights of all parties in interest will be fully protected. When the surety on any such bond is a corporation authorized to do a surety company business, no justification shall be required.

Nothing herein shall be deemed to prevent the deposit of cash or other security in lieu of any surety or sureties, when permitted by the law, regulation, ordinance, rule or order concerned.”

SECTION 2. Statutory material to be repealed is bracketed.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 on July 1, 1973.

(Approved May 4, 1973.)

*Edited accordingly.