

A Bill for an Act Relating to the Statement of Total Indebtedness of the State to be Prepared by the Director of Finance.

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

SECTION 1. Section 39-92, Hawaii Revised Statutes, is amended to read:

**"Sec. 39-92 State debt statement.** The director of finance shall annually ascertain and set forth in a table or other summary a statement of the total indebtedness of the State as of November 1 of each year. The statement shall include the following:

- (1) The total indebtedness of the State, including both authorized but unissued bonds and issued and outstanding bonds; general obligation bonds and revenue bonds; and bonds which may be excluded under section 3 of article VI of the Constitution when determining the total indebtedness of the State for the purposes of that section and bonds which may not be so excluded, showing the amount of each type of such indebtedness.
- (2) The amount of the total indebtedness of the State which may be excluded under section 3 of article VI of the Constitution when determining the total indebtedness of the State for the purposes of that section. There shall be itemized and shown the amounts which may be excluded under each of clauses (a) through (b) of said section; in the case of revenue bonds, the undertaking, improvement or system for which such bonds are issued or are to be issued; and in the case of reimbursable general obligation bonds, the undertaking, improvement, system or political subdivision for which such bonds are issued or to be issued, and, except as to such bonds issued for a political subdivision, the revenues, user taxes, or both, from which the reimbursement to the general fund for the payment of the principal and interest of such bonds is to be made.
- (3) The amount of the total indebtedness of the State which may not be excluded when determining the total indebtedness of the State for the purposes of section 3 of article VI of the Constitution.
- (4) The amount of indebtedness of the State required to be paid or retired from such November 1 to and including the first day of the next succeeding fiscal year.
- (5) The net general fund revenues for each of the three preceding fiscal years, the average of such net general fund revenues and the figure which is three and one-half times such average.

The items required above to be set forth in the statement may be disclosed in such manner or arrangement as the director of finance may deem advisable, and need not be separately stated if the captions, headings or groupings disclose the information required to be set forth.

The director of finance shall also prepare and attach to the statement such supporting schedules as may be required to set forth in detail the bonds included in the itemizations required by subdivisions (1) and (2) above of the first paragraph of this section. The supporting schedules shall also set forth a finding and determination of the net general fund receipts for the preceding fiscal year by setting forth the following for the preceding fiscal year:

- (1) The total of the moneys paid into the general fund in such fiscal year;
- (2) The total of the moneys paid into the general fund in such fiscal year received as grants from the federal government;
- (3) The total of the moneys paid into the general fund in such fiscal year from revenues, or user taxes, or combination thereof, derived from a public undertaking, improvement or system, to the extent such payments into the general fund were made in reimbursement of the payment during such fiscal year from the general fund of the principal and interest of reimbursable general obligation bonds issued for such undertaking, improvement or system which are to be excluded from the total indebtedness of the State;
- (4) The total of the moneys paid into the general fund in such fiscal year from the revenue of a political subdivision, to the extent such payments into the general fund were made in reimbursement of the payment during such fiscal year from the general fund of the principal and interest of reimbursable general obligation bonds issued for the political subdivision which are to be excluded from the total indebtedness of the State;
- (5) The result obtained by subtracting from the total required to be set forth in the statement by subdivision (1) above the totals required to be set forth in the statement by subdivisions (2), (3) and (4) of this paragraph, which result shall constitute the net general fund revenues of the State for the preceding fiscal year.

If payments from the general fund were made in the preceding fiscal year for interest or principal of reimbursable general obligation bonds issued for an undertaking, improvement or system, the supporting schedules shall also set forth in brief and summary form the following with respect to each such undertaking, improvement or system:

- (1) The total of the revenues or user taxes, or both, as follows:
  - (A) The amount of surplus revenues or surplus user taxes, or both, derived in prior fiscal years from or with respect to the undertaking, improvement or system which are carried forward in the fiscal year, to the extent such surplus revenues or surplus user taxes, or both, are available in the fiscal year for the payment of costs for operation, maintenance and repair of the undertaking, improvement or system, the payment of interest due principal on revenue bonds issued for the undertaking, im-

provement or system and payment into the general fund in reimbursement of the payment from the general fund of the principal and interest of reimbursable general obligation bonds issued for such undertaking, improvement or system;

- (B) The amount of the revenue or user taxes, or both, derived in the fiscal year from or with respect to the undertaking, improvement or system; and
  - (C) The total of (A) and (B) of this subdivision;
- (2) The total of the costs of operation, maintenance and repair of the undertaking, improvement or system during the fiscal year;
  - (3) The total of payments made during the fiscal year of interest and principal on revenue bonds issued for the undertaking, improvement or system;
  - (4) The total of the payments made during the fiscal year from the general fund for interest and principal on reimbursable general obligation bonds issued for such undertaking, improvement or system;
  - (5) The amount paid into the general fund during the fiscal year from the total revenues or user taxes, or both, set forth in the schedule pursuant to clause (C) of subdivision (1) of the undertaking, improvement or system, after there has been deducted from such total the costs for operation, maintenance and repair of the undertaking, improvement or system for such fiscal year and the required payments of the principal and interest of all revenue bonds issued for the undertaking, improvement or system;
  - (6) The percentage obtained by dividing the figure required to be set forth in the schedule by subdivision (4) above into the figure required to be set forth by subdivision (5) of this paragraph above, which percentage shall constitute the percentage of the reimbursable general obligation bonds issued for the undertaking which may be excluded under clause (e) of section 3 of article VI of the Constitution when determining the total indebtedness of the State for the purpose of that section.

The supporting schedule shall also set forth or make reference to relevant statutory, bond ordinance or bond certificate provisions, and any other relevant financial information, necessary to explain or justify the findings and determinations inherent in the statement of indebtedness. The director of finance shall indicate in the supporting schedules whether the financial findings and figures are based upon the records of his office or upon audited statements and reports, and if based upon the latter, shall identify in the schedules the audited reports and statements.”

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 upon its approval.

(Approved May 31, 1974.)

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\*Edited accordingly.