

ACT 110

H.B. NO. 1687

A Bill for an Act Relating to Airport and Harbor Revenue Bonds.

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

SECTION 1. The purpose of this bill is to permit the substitution of airport and harbor revenue bonds in lieu of reimbursable general obligation bonds authorized in past appropriation acts for airport and harbor capital investment projects respectively, in the event there is a curtailment of general obligation bond issuance by the State and essential and needed airport or harbor capital projects so authorized must still be constructed.

SECTION 2. Section 9 of Act 68, Session Laws of 1971 is amended to read:
“SECTION 9. **Harbor Revenue Bonds.** The department of transportation

is authorized to issue pursuant to the provisions of Part III, chapter 39, Hawaii Revised Statutes, harbor revenue bonds or other harbor revenue obligations for harbor projects authorized by this Act, to be financed by harbor revenue bond funds or by reimbursable general obligation bond funds, in such principal amount as shall be required to yield the amounts appropriated by this Act for such projects, plus, if so determined by the department and approved by the governor, such additional amounts as may be deemed necessary by the department to establish, maintain, or increase reserves for such bonds or other revenue obligations and pay the expenses of issuance of such bonds or other revenue obligations. To the extent not paid from the proceeds of such revenue bonds or other revenue obligations, the expenses of the issuance of such harbor revenue bonds or other revenue obligations and the principal and interest on such bonds or other revenue obligations shall be paid or provided for from the harbor special fund. The governor, in his discretion, is authorized to use harbor special funds to finance these projects in Part II where the method of financing is designated to be by harbor revenue bond funds or reimbursable general obligation bond funds."

SECTION 3. Section 81 of Act 218, Session Laws of Hawaii 1973, as amended by Section 11 of Act 218, Session Laws of Hawaii 1974, is amended to read:

"SECTION 81. **Airport Revenue Bonds.** The department of transportation is authorized to issue airport revenue bonds for airport capital investment projects listed in this Supplemental Appropriations Act and designated to be financed by revenue bond funds, or reimbursable general obligation bond funds, in such principal amount as shall be required to yield the amounts appropriated for such capital investments, plus, if so determined by the department and approved by the Governor, such additional amounts as may be necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 39, Hawaii Revised Statutes, as the same may be amended from time to time. The principal and interest of airport revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenue from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 243-4(a)(2) and 248-8, Hawaii Revised Statutes, as amended, or such parts of either thereof as the department may determine, including rents, landing fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds shall to the extent not paid from the proceeds of such bonds be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund to finance those projects in this Supplemental Appropriation Act where the method of financing is designated to

be by airport revenue bond funds or reimbursable general obligation bond funds.”

SECTION 4. Act 218, Session Laws of Hawaii 1974 is amended by adding a new section 81A to read:

“**Section 81A Harbor revenue bonds.** The department of transportation is authorized to issue harbor revenue bonds for harbor capital investment projects listed in this Supplemental Appropriations Act and designated to be financed by revenue bond funds or reimbursable general obligation bond funds, in such principal amount as shall be required to yield the amounts appropriated for such capital investments, plus, if so determined by the department and approved by the governor, such additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the harbor revenue bonds to pay the expenses of issuance of such bonds. The aforementioned harbor revenue bonds shall be issued pursuant to the provisions of part III, chapter 39, Hawaii Revised Statutes, as the same may be amended from time to time. The principal and interest of harbor revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenue from harbors and related facilities under the ownership of the State or operated and managed by the department, including rents, mooring, wharfage, dockage, and pilotage fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of harbors and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such harbor revenue bonds shall to the extent not paid from the proceeds of such bonds be paid from the harbor special fund. The Governor, in his discretion, is authorized to use the harbor special fund to finance those projects in this Supplemental Appropriation Act where the method of financing is designated to be by harbor revenue bond funds or reimbursable general obligation funds.”

SECTION 5. Section 93 of Act 195, Session Laws of Hawaii 1975, is amended to read:

“**SECTION 93. Airport Revenue Bonds.** The Department of Transportation is authorized to issue airport revenue bonds for airport capital investment projects authorized in Part II and listed in Part IV of this act and designated to be financed by revenue bond funds, or by reimbursable general obligation bonds, in such principal amount as shall be required to yield the amounts appropriated for such capital investments, plus, if so determined by the department and approved by the Governor, such additional amounts as may be necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 39, Hawaii Revised Statutes, as the same may be amended from time to time. The principal and interest of airport revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenue from airports and related facilities

under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 243-4(a)(2) and 248-8, Hawaii Revised Statutes, as amended, or such parts of either thereof as the department may determine, including rents, landing fees, and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds shall to the extent not paid from the proceeds of such bonds be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund to finance those projects in Part II where the method of financing is designated to be by airport revenue bond funds or reimbursable general obligation bond funds."

SECTION 6. Act 195, Session Laws of Hawaii 1975, is amended by adding a new section 93A to read:

"Sec. 93A Harbor Revenue Bonds. The Department of Transportation is authorized to issue harbor revenue bonds for harbor capital investment projects authorized in Part II and listed in Part IV of this act and which are designated to be financed by revenue bond funds or by reimbursable general obligation bonds, in such principal amount as shall be required to yield the amounts appropriated for such capital investments, plus, if so determined by the department and approved by the Governor, such additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the harbor revenue bonds to pay the expenses of issuance of such bonds. The aforementioned harbor revenue bonds shall be issued pursuant to the provisions of part III, chapter 39, Hawaii Revised Statutes, as the same may be amended from time to time. The principal and interest of harbor revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenue from harbors and related facilities under the ownership of the State or operated and managed by the department, including rents, mooring, wharfage, dockage, and pilotage fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of harbors and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such harbor revenue bonds shall to the extent not paid from the proceeds of such bonds be paid from the harbor special fund. The Governor, in his discretion, is authorized to use the harbor special fund to finance those projects in Part II where the method of financing is designated to be harbor revenue bond funds or reimbursable general obligation bond funds."

SECTION 7. 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 8. This Act shall take effect upon its approval.

(Approved May 14, 1977.)

*Edited accordingly.