

**ACT 138**

**H.B. NO. 2618-78**

**A Bill for an Act Relating to the Hawaii Housing Authority.**

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

SECTION 1. Section 359G-7, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 359G-7 Bond financing.** (a) The director of finance may issue general obligation bonds and short term project notes of the State in the aggregate amount not to exceed \$105,000,000 for the dwelling unit revolving fund under this chapter.

Pending the receipt of funds from the issuance and sale of such bonds and notes, the amount required for the purposes of this chapter shall be advanced from the general fund of the State. Upon the receipt of the bond or note funds, the general fund shall be reimbursed. The director of finance may sequester and separate the proceeds from sale of the bonds and notes into separate funds and the amounts in either fund may be used for any of the purposes set forth in this chapter.

(b) The authority, with the approval of the governor, may issue revenue bonds in an aggregate amount not to exceed \$22,500,000 for the permanent financing of rental housing projects for which the authority has received notification of selection of preliminary proposal under a federal rent subsidy program.

All revenue bonds shall be issued pursuant to part III of chapter 39 as may be amended except that:

- (1) The revenue bonds shall be issued in the name of the authority and not in the name of the State;
- (2) The revenue bonds shall bear interest at a rate or rates payable monthly, quarterly, or semi-annually;
- (3) The final maturity date of the revenue bonds may be any date not exceeding forty years from the date of the bonds; and
- (4) The revenue bonds shall be sold for not less than ninety-five per cent of the principal amount thereof."

SECTION 2. Chapter 359G, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read:

**"Sec. 359G- Revenue bond special fund.** There is created a revenue bond special fund. Notwithstanding section 359G-10, all revenues, income, receipts, and profits derived from an undertaking financed by the issuance of revenue bonds issued under section 359G-7(b) shall be paid into the revenue bond special fund and applied as provided in the proceedings authorizing the issuance of such revenue bonds."

SECTION 3. Chapter 359G, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read:

**"Sec. 359G- Additional powers.** Notwithstanding and without compliance with the provisions of sections 103-7 and 103-22 but with the approval of the governor, the authority may enter into and carry out agreements and undertake projects or participate in projects authorized by this chapter.

SECTION 4. 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 5.** This Act shall take effect upon its approval.

(Approved May 30, 1978.)

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\*Edited accordingly.