

ACT 245

H.B. NO. 2773-80

A Bill for an Act Relating to Bonds.

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

SECTION 1. Section 39-5, Hawaii Revised Statutes, is amended to read as follows:

“Sec. 39-5 Interest rate, denominations, maturities, place payable, medium of payment, registration, redemption and other details of bonds. All bonds issued under this part shall bear interest, payable annually or semi-annually, at a coupon or stated rate or rates; not exceeding nine and one-half per cent a year; shall mature and be payable at such time or times from the date of the issue thereof as will comply with the provisions of the Constitution of the State; may be made payable as to both principal and interest at places within and without the State; may be issued in coupon form without privilege of registration or registrable as to principal only or as to both principal and interest or issued in fully registrable form; may be made registrable at places within and without the State; and may be† redeemable at any time or times prior to their stated maturities at prices not to exceed one hundred four per cent of the par value thereof. The director of finance shall determine the date, denomina-

† In section prior to amendment, here appeared the word “made”.

ACT 245

tion or denominations, interest payment dates, maturities, places of payment, registration privileges and places of registration, redemption prices and time or times and method of redemption, and all other details of bonds issued under this part. The principal and interest of all bonds issued under this part shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.”

SECTION 2. Section 47-7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The director of finance of the county may, upon authorization of its governing body, issue from time to time and in accordance with the provisions of this chapter, bonds of the county authorized for issuance by the governing body thereof. All bonds issued under authority of this chapter:

- (1) Shall bear interest payable semiannually at a coupon or stated rate or rates not exceeding a rate or rates established by ordinance adopted by the governing body of the issuing county;
- (2) If for a term exceeding two years, shall be in serial form maturing in substantially equal installments of principal, or maturing in substantially equal installments of both principal and interest, the first installment of principal to mature not later than five years from the date of issue of such series and the last installment not later than twenty-five years from the date of such issue and the last installment on general obligation bonds sold to the federal government, on reimbursable general obligation bonds, and on bonds constituting instruments of indebtedness under which the county incurs a contingent liability as a guarantor shall mature not later than thirty-five years from the date of such issue;
- (3) May be payable as to both principal and interest at places within and without the State;
- (4) May be issued in coupon form without privilege of registration or registrable as to principal only or as to both principal and interest or in fully registrable form;
- (5) May be made redeemable at any time or times prior to their stated maturities at prices not exceeding one hundred four per cent of the par value thereof; and
- (6) Shall be payable, as to principal, premium, if any, and interest, in any coin or currency of the United States which at the time of payment is legal tender for public and private debts.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.*

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

(Approved June 7, 1980.)

*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.