

ACT 291

H.B. NO. 813

A Bill for an Act Relating to County Bonds and Financing Solid Waste Processing and Disposal and Electric Generating Facilities.

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

SECTION 1. Chapter 46, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§46- Facilities for solid waste processing and disposal and electric generation; financing. In addition to any other powers provided by law, any county may issue general obligation bonds to finance a facility for the processing and disposal of solid waste or generation of electric energy, or both, pursuant to section 47-2.1, and provide for interest on such bonds which will accrue during the construction period. Any such facility shall be and constitute an undertaking as defined in section 49-1 and all revenues derived from the services and commodities furnished by such undertaking, including the disposal of solid waste and the sale of steam and electric energy and recovered materials, shall constitute revenues of such undertaking.

Any law to the contrary notwithstanding, and particularly section 47-7, bonds issued pursuant to this section to finance a facility for the processing and disposal of solid waste or generation of electric energy, or both, may be sold at competitive or negotiated sale at such price or prices, may bear interest at such rate or rates payable at such time or times, may be made redeemable before maturity at the option of the county, the holder, or both, at such price or prices and upon such terms and conditions, all as the governing body of the county or, if authorized by the governing body of the county, the director of finance may determine.

If bonds issued pursuant to this section for the processing and disposal of solid waste and generation of electric energy are issued bearing interest at rates which vary from time to time and with a right of the holders to put such bonds, all as provided in the proceedings authorizing the issuance thereof, any county may contract for such support facility or facilities and remarketing arrangements as are required to market such bonds to the greatest advantage of the county upon such terms and conditions as the governing body of the county shall approve by resolution. The county may enter into such contracts or agreements with the entity or entities providing a support facility as aforesaid as the governing body of the county shall approve by resolution; provided that any such contract or agreement shall provide, in essence, that any amounts due and owing by the county under such contract or agreement on an annual basis shall

be subject to annual appropriations by the county, and any obligation issued pursuant to the terms of such contract or agreement in the form of bonds, notes, or other evidences of indebtedness shall only arise at such time as moneys or securities have been irrevocably set aside for the full payment of a like principal amount of bonds issued pursuant to this section.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval.

(Approved June 8, 1985.)

Note

1. Edited pursuant to HRS §23G-16.5.