

ACT 167

H.B. NO. 1593

A Bill for an Act Relating to Public Contracts.

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

SECTION 1. Chapter 103D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§103D- Settlement on performance bonds. Upon default of a contractor, the purchasing agency may accept moneys in satisfaction of the performance surety’s obligation on its bond. Such moneys shall be deemed to be trust moneys and shall be deposited into a trust account with and under the control of the purchasing agency. These moneys and the interest earned thereon shall be used for the completion of such contract. Upon completion of the contract, any excess moneys shall be deposited in the general fund unless otherwise restricted.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on July 1, 1997.

(Approved June 16, 1997.)

Note

1. Edited pursuant to HRS §23G-16.5.