

ACT 31

S.B. NO. 1206

A Bill for an Act Relating to Counties.

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

SECTION 1. Section 49-3, Hawaii Revised Statutes, is amended to read as follows:

“§49-3 Additional powers of counties. (a) In addition to the powers ~~[which]~~ that it may now have, any county under this chapter may:

- (1) Construct, acquire by gift, purchase, or the exercise of the right of eminent domain, reconstruct, improve, better, or extend any undertaking, within or without the county, or partially within or partially without the county, and acquire by gift, purchase, or the exercise of the right of eminent domain, lands or rights in land or water rights in connection ~~[therewith]~~ with the land rights or undertake the establishment and administration of a loan program as authorized by the law;
- (2) Operate and maintain any undertaking and maintain a loan program as authorized by law and furnish the services, facilities, and commodities thereof for its own use and for the use of public and private consumers within or without the territorial boundaries of the county;
- (3) Issue its revenue bonds to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking or the establishment and administration of any loan program as authorized by law;
- (4) Impose, prescribe, and collect rates, rentals, fees, and charges for the use and services of, and the facilities and commodities furnished

by, the undertaking or the use and services of the loan program as authorized by law, as provided in section 49-10; and

- (5) Pledge to the punctual payment of the revenue bonds and interest thereon or covenant to pay into any special funds from which any revenue bonds may be payable, all or any portion of the revenue of the undertaking or loan program or of any part thereof, or the user taxes derived therefrom, or any combination of both (including improvements, betterments, or extensions thereto thereafter constructed or acquired) sufficient, among other things, to pay the revenue bonds and interest thereon as the same shall become due and create and maintain reasonable reserves therefor.

(b) The governing body of the county in determining the cost may include ~~all~~:

- (1) All costs and estimated costs of the issuance of the revenue bonds~~;~~
~~all~~;
- (2) All architectural, engineering, inspection, financial, and legal expenses~~;~~
~~all~~;
- (3) All costs of establishing or administering a loan program authorized by law~~;~~
~~the~~;
- (4) The cost of causing the payment of the principal or interest or both of the revenue bonds to be insured or guaranteed~~;~~
~~the~~;
- (5) The initial cost of any support facility obtained as permitted by section 49-8~~;~~ and ~~interest which it~~
- (6) Interest that is estimated will accrue on the bonds during the construction or origination period and for six months thereafter.

(c) Subject to the approval of the governing body, or in counties with a population of five hundred thousand or more if authorized by a county charter to issue revenue bonds in its own name, a board may exercise all or any part of the powers vested in the county pursuant to this chapter but only with respect to an undertaking or loan program under the jurisdiction of ~~such~~ the board. In the event a board ~~shall exercise~~ exercises any of the powers vested in the county pursuant to this chapter, the term governing body as used in this chapter shall be deemed to mean the board, and the term director of finance shall be deemed to mean the chief financial officer of the board.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2009.

(Vetoed by Governor and veto overridden by Legislature on July 15, 2009.)