
A BILL FOR AN ACT

RELATING TO COSTS OF RELOCATION AND UNDERGROUNDING OF UTILITY
FACILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 103D-309, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) In any contract [~~pursuant to section 264-33~~]
4 involving not only state or county funds but supplemental funds
5 from a utility, this section shall be applicable to that portion
6 of the contract price payable out of state or county funds as
7 well as that portion of the contract price payable out of funds
8 from a utility, or payable out of state or county funds paid to
9 a utility. The State or county may certify that there are
10 sufficient funds for the utility's portion of the contract price
11 if the amounts that a utility is obligated to pay under a legal
12 agreement between the utility and the State, or a county, are
13 sufficient to pay that portion of the contract price and the
14 legal agreement:

15 (1) Includes a specific description of the utility's share
16 of the payment and terms of that payment;



1 (2) Allows the State, county, or utility to provide
2 progress payments or final payment based on the actual
3 cost after a project is completed; and

4 (3) Provides that in the event the State, county, or
5 utility is delinquent in payments under the legal
6 agreement, the State, county, or utility shall be
7 responsible for any and all additional costs
8 attributable to such late payment.

9 Any such legal agreement shall be executed prior to the
10 execution of the state or county contract and shall not
11 jeopardize any federal, state, or county funds.

12 For the purposes of this subsection:

13 "Legal agreement" includes a utility agreement, memorandum
14 of understanding, or memorandum of agreement.

15 "Utility" means a utility company or entity."

16 SECTION 2. Statutory material to be repealed is bracketed
17 and stricken.

18 SECTION 3. This Act shall take effect on July 1, 2011.

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Report Title:

Highway; Cost Sharing; Utility Owners; Right-of-Way; Relocation

Description:

Allow any utility owners whose facility occupies state highway rights-of-way to provide their share of costs up front to the affected state agency for encumbrance of funds in related contracts by way of an agreement to pay. (SD1)

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