

**"CHAPTER 39B
ALLOCATION OF PRIVATE ACTIVITY BONDS**

Section

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Revision Note

This chapter was originally assigned to chapter 39A but is renumbered pursuant to §23G-15(1).

" **§39B-1 Definitions.** Whenever used in this [chapter], unless a different meaning clearly appears from the context:

"Annual state ceiling" means the principal amount of private activity bonds which may be issued in each calendar year by all issuers and counties in the State under the Internal Revenue Code of 1986, as the same may be amended.

"Department" means the department of budget and finance.

"Governing body" means the councils of the counties, or any other body exercising the legislative powers of a county.

"Issuer" means any state department, board, commission, officer, or authority, or private not-for-profit corporation authorized under the laws of the State to issue private activity bonds.

"Private activity bond" shall have the same meaning as the term is defined in the Internal Revenue Code of 1986, as the same may be amended. [L 1985, c 12, pt of §2; am L 1987, c 62, §3]

" **§39B-2 Allocation of annual state ceiling.** (a) The annual state ceiling shall be allocated for each calendar year in the following proportions:

- (1) An amount equal to fifty per cent of the annual state ceiling to the State;
- (2) An amount equal to 37.55 per cent of the annual state ceiling to the city and county of Honolulu;
- (3) An amount equal to 5.03 per cent of the annual state ceiling to the county of Hawaii;
- (4) An amount equal to 2.41 per cent of the annual state ceiling to the county of Kauai; and
- (5) An amount equal to 5.01 per cent of the annual state ceiling to the county of Maui.

(b) The department, with the approval of the governor, may assign all or any part of the allocation of the State to any issuer or any county for a specific calendar year or years. At the request of the department, any issuer or county to which any part of the State's allocation has been assigned shall return all or part of the assignment, in which case the department may provide for its reassignment.

(c) The department may request return of all or any part of the allocations of one or more counties made pursuant to subsection (a), and may assign and reassign the allocation to

any other county or issuer for a specified calendar year or years.

(d) A county, by resolution of its governing body, or any issuer, by written certificate of such issuer, may request additional allocations of the annual state ceiling from, or assign all or any part of its portion of the allocation of the annual state ceiling to, the State for a specified calendar year or years. [L 1985, c 12, pt of §2; am L 1987, c 62, §4]

" **[\$39B-3] Application of allocation.** The extent to which all or any part of an allocation made to a county or an issuer pursuant to section 39B-2 is applied to a project subject to the annual state ceiling shall be evidenced by a certificate of the issuer or the director of finance of a county, as applicable. [L 1987, c 62, §2]

" **[\$39B-4] Report of unused allocation; reversion to State.** The director of finance of each county shall report to the department in writing by December 15 of each year as to the amount of allocation to such county which has not been applied to private activity bonds in such year or assigned pursuant to this chapter.

In preparing such report, the director of finance of the county shall deduct any allocation which is unused or unassigned as of December 15 but will be applied to private activity bonds on or prior to December 31 of such year.

Unless the director of finance of the county or any issuer, by written certificate, indicates to the department prior to December 15 of each year that it intends to carry forward all or any portion of its allocation which has not been applied to private activity bonds in such year or assigned pursuant to this chapter, such unused or unassigned allocation shall revert to the State on December 31 and the State shall be entitled to carry forward such unused or unassigned allocation as permitted by federal law. [L 1991, c 58, §1]