

**ACT 10**

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H. B. NO. 492

A Bill for an Act Relating to Aeronautics.

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

SECTION 1. Section 13, Act 195, Session Laws of Hawaii 1965, is hereby amended to read as follows:

“The department of transportation is authorized to issue airport revenue bonds for airport projects authorized by this Act to be financed by airport revenue bonds, in such principal amount as shall be required to yield the amounts appropriated by this Act from airport revenue bond funds for such projects, plus, if so determined by the department and approved by the Governor, such

additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds and to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 137, Revised Laws of Hawaii 1955, as the same may be amended from time to time. The principal and interest of airport revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenues from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 123-3(2) and 129-11, Revised Laws of Hawaii 1955, or such part of either thereof as the department may determine, including rents, landing fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds shall, to the extent not paid from the proceeds of such bonds, be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund or general obligation bonds to finance those projects in Section 1 where the method of financing is designated to be by airport revenue bond funds; and general obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance such airport projects, which general obligation bonds shall be in addition to the general obligation bonds authorized by Section 1 hereof; provided that the sum total of general obligation bonds so issued for airport projects set forth in this Act shall not exceed \$2,429,700; provided, further, that the issuance shall be revenue bonds, and provided, further, that in the event that there are no bids on the revenue issuance, the Governor shall have the discretion to issue reimbursable general obligation bonds. The principal and interest of said general obligation bonds so issued for airport projects set forth in this Act, to the extent not paid from the proceeds of such bonds, shall be reimbursed from the airport revenue fund."

SECTION 2. Section 14, Act 38, Session Laws of Hawaii 1966, is hereby amended to read as follows:

"The department of transportation is authorized to issue airport revenue bonds for airport projects authorized by this Act to be financed by airport revenue bonds, in such principal amount as shall be required to yield the amounts appropriated by this Act from airport revenue bond funds for such projects, plus, if so determined by the department and approved by the Governor, such additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds and to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 137, Revised Laws of Hawaii 1955, as the same may be amended from time to time. The principal and interest of airport revenue

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bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenues from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 123-3(2) and 129-11, Revised Laws of Hawaii 1955, or such part of either thereof as the department may determine, including rents, landing fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds, shall, to the extent not paid from the proceeds of such bonds, be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund or general obligation bonds to finance those projects in Section 1 where the method of financing is designated to be by airport revenue bond funds, and general obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance such airport projects, which general obligation bonds shall be in addition to the general obligation bonds authorized by Section 1 hereof; provided that the sum total of general obligation bonds so issued for airport projects set forth in this Act shall not exceed \$859,000; provided, further, that the issuance shall be revenue bonds, and provided, further, that in the event that there are no bids on the revenue issuance, the Governor shall have the discretion to issue reimbursable general obligation bonds."

SECTION 3. Section 12, Act 217, Session Laws of Hawaii 1967, is hereby amended to read as follows:

"The department of transportation is authorized to issue airport revenue bonds for airport projects authorized by this Act to be financed by airport revenue bonds, in such principal amount as shall be required to yield the amounts appropriated by this Act from airport revenue bond funds for such projects, plus, if so determined by the department and approved by the Governor, such additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds and to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 137, Revised Laws of Hawaii 1955, as the same may be amended from time to time. The principal and interest of airport revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenues from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 123-3(2) and 129-11, Revised Laws of Hawaii 1955, or such part of either thereof as the department may determine, including rents, landing fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds shall, to the extent not paid from the proceeds of such

bonds, be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund or general obligation bonds to finance those projects in Section 1 where the method of financing is designated to be by airport revenue bond funds, and the general obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance such airport projects, which general obligation bonds shall be in addition to the general obligation bonds authorized by Section 1 hereof; provided that the sum total of general obligation bonds so issued for airport projects set forth in this Act shall not exceed \$9,280,000; provided, further, that the issuance shall be revenue bonds, and provided, further, that in the event that there are no bids on the revenue issuance, the Governor shall have the discretion to issue reimbursable general obligation bonds.”

SECTION 4. Section 12, Act 40, Session Laws of Hawaii 1968, is hereby amended to read as follows:

“The department of transportation is authorized to issue airport revenue bonds for airport projects authorized by this Act to be financed by airport revenue bonds, in such principal amount as shall be required to yield the amounts appropriated by this Act from airport revenue bond funds for such projects, plus, if so determined by the department and approved by the Governor, such additional amounts as may be deemed necessary by the department to pay interest on such revenue bonds during the construction period and for six months thereafter, to establish, maintain or increase reserves for the airport revenue bonds and to pay the expenses of issuance of such bonds. The aforementioned airport revenue bonds shall be issued pursuant to the provisions of Part III, Chapter 137, Revised Laws of Hawaii 1955, as the same may be amended from time to time. The principal and interest of airport revenue bonds, to the extent not paid from the proceeds of such bonds, shall be payable solely from and secured solely by the revenues from airports and related facilities under the ownership of the State or operated and managed by the department and the aviation fuel taxes levied and paid pursuant to Sections 123-3(2) and 129-11, Revised Laws of Hawaii 1955, or such part of either thereof as the department may determine, including rents, landing fees and other fees or charges presently or hereafter derived from or arising through the ownership, operation and management of airports and related facilities and the furnishing and supplying of the services thereof. The expenses of the issuance of such airport revenue bonds shall, to the extent not paid from the proceeds of such bonds, be paid from the airport revenue fund. The Governor, in his discretion, is authorized to use the airport revenue fund or general obligation bonds to finance those projects in Section 1 where the method of financing is designated to be by airport revenue bond funds, and general obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance such airport projects, which general obligation bonds authorized by Section 1 hereof; provided that the sum total of general obligation bonds so issued for airport projects set forth in this Act shall not exceed \$38,280,000; provided, further, that the issuance shall be revenue bonds, and provided, further, that in the event that there are no bids on the revenue issuance, the Governor shall

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have the discretion to issue reimbursable general obligation bonds.”

SECTION 5. Section 129-11, Revised Laws of Hawaii 1955, is hereby amended by substituting the words “airport revenue fund” for the words “state airport fund” wherever the latter words appear in said section.

SECTION 6. Section 15-10, Revised Laws of Hawaii 1955, is hereby amended to read as follows:

“**Sec. 15-10. Disposition of airport revenue fund.** (a) All moneys received by the department of transportation from rents, fees and other charges pursuant to this chapter as well as all aviation fuel taxes paid pursuant to Section 123-3(2) shall be paid into the airport revenue fund created by Section 129-11. All such moneys paid into the airport revenue fund shall be expended by the department for the statewide system of airports, including the construction of airports and air navigation facilities approved by the legislature, including acquisition of real property and interests therein; and for operation and maintenance of airports and air navigation facilities; and for the payment of indebtedness heretofore or hereafter incurred by the department, or its predecessor, the Hawaii aeronautics commission, for any of the purposes of this chapter. The department shall generate sufficient revenues from its airport properties to meet all of the expenditures of the state-wide system of airports and to comply with Section 137-58 as the same may be amended from time to time.

“(b) All expenditures by the department shall be made on vouchers duly approved by the director of transportation or such other officer as may be designated by the director.”

SECTION 7. This Act shall take effect upon its approval.

(Approved April 30, 1969.)