

ACT 86

H.B. NO. 1015

A Bill for an Act Relating to State Bonds.

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

SECTION 1. Section 39-33, Hawaii Revised Statutes, is amended to read as follows:

**“§39-33 Method of issuance and payment.** A claimant for issuance of a new bond or for payment shall make written application, under oath, in such form as the director of finance shall prescribe, stating facts definitively identifying the bonds or coupons and showing the loss, whole or partial destruction, defacement, or theft of the same, and the ownership of the same by the person applying, and shall present further evidence as the director of finance may reasonably require to establish the identity of the bonds or coupons, their loss, whole or partial destruction, defacement, or theft, and the ownership of the same by the claimant.

The director of finance shall not provide for the issuance of a replacement for or the payment of the lost, stolen, wholly or partially destroyed, or defaced bond, coupon, or both, as the case may be, unless the claimant shall have executed and delivered to the director of finance a legal and sufficient surety bond or other form of surety acceptable to the director of finance in an amount equal to the loss which may be suffered by the State, any transfer agent, paying agent, or registrar by reason of issuing replacements or making payments mentioned in this section. Any surety bond or other form of surety acceptable to the director of finance shall be in the form and with sufficient surety or sureties as shall be satisfactory to the director of finance, and shall be conditioned to indemnify and save harmless the State, any transfer agent, paying agent, or registrar from any and all loss on account

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of the bond, coupon, or both, as the case may be, so claimed to have been lost, stolen, wholly or partially destroyed, or defaced. The duration of the surety bond or other form of surety acceptable to the director of finance shall be not less than the date upon which the bond, coupon, or both, as the case may be, being replaced or paid, become due and payable, plus the period of the statute of limitations applicable to bonds and coupons. In the case of a partially destroyed or defaced bond, coupon, or both, as the case may be, the claimant shall surrender the partially destroyed or defaced bond, coupon, or both, as the case may be, at the time of delivery of the replacement.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 17, 1989.)