

**SESSION LAWS**  
**OF**  
**HAWAII**  
**PASSED BY THE**  
**FIFTH STATE LEGISLATURE**

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**REGULAR SESSION**  
**1969**

Convened on Wednesday, January 15  
and

Adjourned Sine Die on Friday, May 23

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Published by Authority of the  
Revisor of Statutes  
Honolulu, Hawaii

## **A U T H O R I T Y**

**Section 2-4, Hawaii Revised Statutes, provides as follows:**

**Publishing of session laws.** As soon as possible after the close of each session of the legislature, the revisor shall prepare for publication all laws duly enacted at such session, arranged in the order of their becoming law, together with a suitable index and tables showing what general statutes have been affected by such session laws.

## **P R E F A C E**

This volume contains all the laws passed by the Legislature at the Regular Session of 1969.

In preparing this volume, the text of the original laws and proposals has been followed, with the exception of palpable typographical errors.

HIDEHIKO UYENOYAMA  
Revisor of Statutes

Honolulu, Hawaii  
September 22, 1969

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1969

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**Session Laws of Hawaii  
Passed By The  
Fifth State Legislature  
Regular Session  
1969**

**ACT 1**

**S. B. NO. 6**

A Bill for an Act Relating to References in the Acts Passed, This Regular Session of 1969.

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

SECTION 1. Whenever in any act passed at this Regular Session of 1969 reference is made to the Revised Laws of Hawaii 1955 or to other laws incorporated, with or without change, in the Hawaii Revised Statutes, the reference shall be construed to refer to the corresponding or applicable provisions of the Hawaii Revised Statutes, and such act shall be construed to be amendatory or supplementary of the Hawaii Revised Statutes.

In incorporating any such act in the Hawaii Revised Statutes, the revisor of statutes shall reword and renumber the references in the act and make other formal or verbal changes that may be necessary to conform with the Hawaii Revised Statutes.

SECTION 2. This Act shall take effect upon its approval.

(Approved March 27, 1969.)

**ACT 2**

**H. B. NO. 4**

A Bill for an Act Making Appropriations to Provide for the Expenses of the Legislature and the Legislative Auditor.

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

SECTION 1. There is hereby appropriated from the general funds of the State the sum of \$769,184, or so much thereof as may be necessary, for defraying the pre-session, interim session and other expenses of the Senate for the Regular Session of 1969, Fifth State Legislature of the State of Hawaii, and for the period up to and including January 20, 1970.

SECTION 2. There is hereby appropriated from the general funds of the State the sum of \$995,000, or so much thereof as may be necessary, for defraying the pre-session, interim session and other expenses of the House of Representatives for the Regular Session of 1969, Fifth State Legislature of the State of Hawaii, and for the period up to and including January 20, 1970.

## **ACT 2**

**SECTION 3.** Any unencumbered balances of the appropriations provided for in sections 1 and 2 remaining at the close of the Regular Session of 1969 are hereby appropriated to defray any and all expenses of the Senate and the House of Representatives, respectively, including but without limitation to the generality of the foregoing, the expenses of any committee or committees established by either the Senate or the House of Representatives and the pre-session expenses of the Regular Session of 1970. Payment of such expenses of the Senate shall be made only with the approval of the President of the Senate, and payment of such expenses of the House of Representatives shall be made only with the approval of the Speaker of the House of Representatives.

**SECTION 4.** Before January 21, 1970, the Senate and the House of Representatives shall have their accounts audited and a full report of such audit shall be presented to the Senate and to the House of Representatives of the Legislature convening on January 21, 1970.

**SECTION 5.** The expenses of any member of the Legislature while traveling abroad on official business of the Legislature shall not be limited by the provision of section 78-15, Hawaii Revised Statutes, or by any other general statute. Until otherwise prescribed by law, the expenses of such member shall be \$45 per day and authorized by the President of the Senate or the Speaker of the House of Representatives, respectively.

**SECTION 6.** There is hereby appropriated from the general funds of the State the sum of \$103,000(4), or so much thereof as may be necessary, for defraying the expenses of the office of the ombudsman during the fiscal year 1969-70; provided that the ombudsman shall formulate long and short-range programs for his office, establish procedures for receiving and processing complaints, conducting investigations and reporting his findings, and shall submit such programs and procedures along with his budget to the legislature at least twenty days prior to the Regular Session of 1970. The maximum number of positions authorized for that office during the fiscal year 1969-70 is the number stated in the parentheses after the appropriation.

**SECTION 7.** There is hereby appropriated from the general funds of the State the sum of \$398,000, or so much thereof as may be necessary, for defraying the expenses of the office of the legislative auditor during the fiscal year 1969-70, and the sum of \$435,352, or so much thereof as may be necessary, for such purposes as may be determined and expended by joint action of the President of the Senate and the Speaker of the House of Representatives, or of the Senate and the House of Representatives through the President of the Senate and the Speaker of the House of Representatives.

**SECTION 8.** Each section of this Act is hereby declared to be severable from the remainder of this Act.

**SECTION 9.** This Act shall take effect upon its approval.

(Approved April 3, 1969.)

**ACT 4**

**ACT 3**

S. B. NO. 178

A Bill for an Act Relating to Employment Security.

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

SECTION 1. Chapter 383, Hawaii Revised Statutes, is hereby amended by deleting therefrom Section 383-25 through Section 383-28.

SECTION 2. The figure "383-24" is substituted for the figure "383-28" in section 383-107, Hawaii Revised Statutes.

SECTION 3. This Act shall take effect upon its approval and shall apply only to benefits payable for benefit years established on or after said date of approval.

(Approved April 10, 1969.)

**ACT 4**

S. B. NO. 84

A Bill for an Act Relating to Public Hearings by the Board of Agriculture.

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

SECTION 1. The sixth paragraph of Section 14A-21, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"The chairman of the board of agriculture shall hold at least one publicly announced hearing on each of the islands of Oahu, Hawaii, Maui, Kauai and Molokai, between or during the months of July and December of each year for the purpose of hearing complaints and suggestions, if any, from the farmers, ranchers, consumers and other interested groups and persons with respect to matters within the duties, powers and authority of the department of agriculture."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 15, 1969.)

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\* Edited accordingly

## ACT 5

## ACT 5

S. B. NO. 3

A Bill for an Act Relating to Expense Allowances for Legislators.

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

SECTION 1. Chapter 24 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 24-1. Allowance for incidental expenses.** Each member of the legislature shall receive an annual allowance of \$750, which amount is to cover incidental expenses connected with legislative duties and the amount shall be payable in a manner prescribed by the respective rules of each house.

**Section 24-2. Allowance for non-Oahu legislator during session.** A member of the legislature whose legal residence is on an island other than Oahu shall receive an additional allowance of \$20 per day, which amount is to cover lodging and incidental expenses but not travel expenses. The allowance shall be paid to each member at the rate prescribed for each day, from the first to the last day of each session, including Saturdays, Sundays, holidays, and days of recess pursuant to a concurrent resolution, except for days of recess when a session of the legislature is recessed for more than three days pursuant to a concurrent resolution and for days of unexcused absence of the member from a meeting of the respective house.

**Section 24-3. Allowance for expenses while traveling on official legislative business during a session within the State.** A member of the legislature whose legal residence is on the island of Oahu and who is required to remain away from the island of his legal residence but within the State overnight or longer while on official legislative business during a session and when authorized by the presiding officer of the respective house, shall receive an allowance of \$30 per day, which amount is to cover all personal expenses such as board, lodging, and incidental expenses but not travel expenses.

A member of the legislature whose legal residence is on an island other than Oahu and who is required to remain away from the island of his legal residence but within the State overnight or longer while on official legislative business during a session and when authorized by the presiding officer of the respective house, shall receive an allowance of \$20 per day, which amount is to cover all personal expenses such as board, lodging, and incidental expenses but not travel expenses. This allowance shall be in addition to the allowance which he may be entitled to receive under section 24-2, except that he shall not be entitled to this allowance while in attendance at a session of the legislature on Oahu.

**Section 24-4. Allowance for expenses while on official legislative business during periods of recess and interim official legislative business.** When a session of the legislature is recessed for more than three days pursuant to a concurrent resolution or for any interim official legislative business, a member of the legislature while on official legislative business on the island of his legal residence and when authorized by the presiding officer of the respective house,

shall receive an allowance of \$10 per day to cover personal expenses.

When a session of the legislature is recessed for more than three days pursuant to a concurrent resolution or for any interim official legislative business, a member of the legislature who is required to remain away from the island of his legal residence but within the State overnight or longer while on official legislative business and when authorized by the presiding officer of the respective house, shall receive an allowance of \$30 per day, which amount is to cover all personal expenses such as board, lodging, and incidental expenses but not travel expenses.

**Section 24-5. Allowance for expenses while traveling on official legislative business without the State.** A member of the legislature while traveling without the State on official legislative business and when authorized by the presiding officer of the respective house, shall receive an allowance of \$45 per day, which amount is to cover all personal expenses, such as board, lodging, and incidental expenses but not travel expenses. This allowance shall be in addition to the allowance which he may be entitled to receive under section 24-2.

**Section 24-6. Travel expenses.** Travel expenses connected with official legislative business shall be allowed only upon the approval of the presiding officer of the respective house.

**Section 24-7. Legislative contingency funds.** A senate contingency fund and a house contingency fund shall be established. Each fund shall consist of monies provided by any appropriation made by the legislature for the expenses of the respective house. Appropriation for the senate contingency fund shall not exceed \$10,000 per year and appropriation for the house contingency fund shall not exceed \$15,000 per year. Each fund is to be used to cover the expenses of social occasions hosted by each house as a whole and other social occasions as authorized by the presiding officer of the respective house. No monies shall be expended from such funds except for such occasions and except upon approval by the presiding officer of the respective house.

Every expenditure made from each fund shall be accountable to the legislature.

**Section 24-8. Appropriation and payment.** Monies provided by the allowances and funds authorized by this chapter shall be paid out of any available appropriation made by the legislature for expenses of the house concerned in the same manner as other expenses of the legislature not inconsistent with this chapter."

**SECTION 2.** This Act shall take effect on February 19, 1969 upon its approval.

(Approved April 15, 1969.)

## **ACT 7**

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

SECTION 1. Section 93-1(o), Revised Laws of Hawaii 1955 is amended to read:

“(o) ‘State’ includes, in addition to the states of the United States, the District of Columbia, Puerto Rico, and Virgin Islands.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved April 21, 1969.)

## **ACT 7**

H. B. NO. 265

A Bill for an Act Relating to Employment Security and Amending Chapter 93 Revised Laws of Hawaii 1955.

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

SECTION 1. The second sentence in the first paragraph in section 93-76, Revised Laws of Hawaii 1955 is amended to read:

“Upon the written approval of the election by the department, the services shall be deemed to constitute employment subject to this chapter from the first day of the calendar quarter in which the approval is granted.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved April 25, 1969.)

## **ACT 8**

H. B. NO. 266

A Bill for an Act Relating to Employment Security and Amending Chapter 93

Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93-64, Revised Laws of Hawaii 1955 is amended by adding thereto the following subsection:

“(d) Benefits paid to an individual for the period he is enrolled in and is in regular attendance at a vocational training or retraining course approved by the director pursuant to section 93-28 shall not be charged to any of his base period employers.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved April 25, 1969.)

**ACT 9**

H. B. NO. 493

A Bill for an Act Relating to Revenue Bonds and Amending Part III of Chapter 39, Hawaii Revised Statutes.

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

SECTION 1. Part III of Chapter 39, Hawaii Revised Statutes, is hereby amended to read as follows:

**“PART III. REVENUE BONDS**

**“Sec. 39-51. Definitions.** Whenever used in this part, unless a different meaning clearly appears from the context:

‘Bonds’ means bonds, notes and other instruments of indebtedness.

‘Department’ means any state department, board, commission, officer, authority, or agency (other than a “municipality” defined by section 49-1) which is charged by law with the administration of an undertaking.

‘Department head’ means any officer having charge of a department for which there is no governing body.

‘Governing body’ means any board, commission, or other body consisting of more than one person, having charge of a department.

‘Revenue’ means the moneys collected from the rates, rentals, fees and charges prescribed for the use and services of, and the facilities and commodities furnished by, the undertaking.

‘Revenue bonds’ means all bonds payable solely from and secured solely

## ACT 9

by the revenue, or user taxes, or any combination of both, of the undertaking for which such bonds are issued.

‘Undertaking’ means any public works and properties, improvement or system, from the ownership or operation of which, by the State or a department thereof, revenue may be derived, or with respect to which user taxes may be derived.

‘User taxes’ means taxes on goods or services or on the consumption thereof, the receipts of which are substantially derived from the consumption, use or sale of goods and services in the utilization of the functions or services furnished by the undertaking.

**“Sec. 39-52. Declaration of policy.** It is declared to be the policy of the State that any department acquiring, purchasing, constructing, reconstructing, improving, bettering, or extending an undertaking pursuant to this chapter, shall manage the undertaking in the most efficient manner consistent with sound economy and public advantage, and consistent with the protection of bondholders.

**“Sec. 39-53. Additional powers of departments.** In addition to the powers which it may otherwise have, any department shall have power under this part:

- (1) To construct, acquire by gift, purchase, or the exercise of the right of eminent domain, reconstruct, improve, better, or extend any undertaking within its jurisdiction, and to acquire by gift, purchase, or the exercise of the right of eminent domain, lands or rights in land or water rights in connection therewith;
- (2) To operate and maintain any undertaking within its jurisdiction and furnish the services, facilities, and commodities thereof for its own use and for the use of public and private consumers;
- (3) To issue revenue bonds of the State in the amounts authorized by specific act or acts of the legislature of the State to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking;
- (4) To impose, prescribe and collect rates, rentals, fees and charges for the use and services of, and the facilities and commodities furnished by, the undertaking; and
- (5) To pledge the punctual payment of the revenue bonds and interest thereon, or to covenant to pay into any special funds from which any of the revenue bonds may be payable, the revenues of the undertaking, 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 to pay the revenue bonds and interest as they shall become due and to create and maintain reasonable reserves to pay the principal and interest; provided, that no user taxes shall be pledged to such payment unless the legislature in the specific act or acts authorizing the issuance of the revenue bonds shall have provided that such revenue

bonds may be payable from and secured by such user taxes. The amount so pledged or covenanted to be paid may consist of all or any part or portion of such revenue, or of such user taxes, or any combination of both.

The department, in determining the cost, may include all costs and estimated costs of the issuance of the revenue bonds, all engineering, inspection, fiscal, and legal expenses, and interest which it is estimated will accrue during the construction period and for six months thereafter on money borrowed or which it is estimated will be borrowed pursuant to this part.

**"Sec. 39-54. Authorization of undertaking; form and contents of revenue bonds.** The issuance of revenue bonds for the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking shall be authorized:

- (1) By a resolution or resolutions of the governing body of the department, which may be adopted at the same meeting at which the same are introduced by a majority of all the members of the governing body of the department then in office, and shall take effect immediately upon filing with the director of finance of the State, or
- (2) By a certificate or certificates of a department head, which shall take effect immediately upon filing with the director of finance.

The revenue bonds shall bear interest at such rate or rates, payable semiannually, may be in one or more series, may bear such date or dates, may mature at such time or times not exceeding thirty years from their respective dates, may be payable in such medium of payment, at such place or places, may carry such registration privileges, may be subject to such terms of redemption, may be executed in such manner; may contain such terms, covenants and conditions, and may be in such form, either coupon or registered, as the resolution or certificate, subsequent resolutions or certificates, may provide. The revenue bonds may be sold at private sale to the United States, or any agency, instrumentality or corporation thereof, or to the state employees retirement system, or to any political subdivision of the State. Unless so sold at private sale, the revenue bonds shall be sold at public sale after notice of the sale published once at least five days prior to the sale in a newspaper circulating in the State and in a financial newspaper published in any of the cities of New York, Chicago, or San Francisco. The revenue bonds shall be sold for not less than ninety-eight percent of the principal amount thereof. Pending the preparation of the definitive revenue bonds, interim receipts or certificates in such form and with such provisions as the department may determine may be issued to the purchaser or purchasers of revenue bonds sold pursuant to this chapter. The revenue bonds and interim receipts or certificates shall be fully negotiable within the meaning of and for all the purposes of chapter 490, Uniform Commercial Code.

**"Sec. 39-55. Covenants in resolution or certificate authorizing issuance of revenue bonds.** Any resolution or certificate authorizing the issuance of revenue bonds under this part may contain covenants as to:

- (1) The purpose or purposes to which the proceeds of sale of the revenue bonds shall be applied and the use and disposition thereof;

## ACT 9

- (2) The use and disposition of the revenue of the undertaking for which the revenue bonds are to be issued, or the user taxes derived therefrom, or both, to the extent pledged to the payment of the revenue bonds, including the creation and maintenance of reserves;
- (3) The issuance of other or additional bonds payable from the revenue of the undertaking, or the user taxes derived therefrom, or both, to the extent pledged to the payment of the revenue bonds;
- (4) The operation, maintenance and repair of the undertaking;
- (5) The insurance to be carried thereon and the use and disposition of insurance moneys, the insurance being by this section authorized to be carried, and no undertaking shall have recourse to the state insurance fund for the repair or replacement of any property in the undertaking, or for payment of claims under chapter 386 (relating to workmen's compensation);
- (6) Books of account and the inspection and audit thereof; and
- (7) The terms and conditions upon which the holders of the revenue bonds or any proportion of them or any trustee therefor shall be entitled to the appointment of a receiver by any court of competent jurisdiction, which court shall have jurisdiction in the proceedings, and which receiver may enter and take possession of the undertaking, operate, maintain, and repair the same, impose and prescribe rates, rentals, fees or charges, collect, receive and apply all revenue, and receive and apply all user taxes, thereafter arising therefrom in the same manner and to the same extent as the department itself might do;

provided, that all covenants shall be subject to review by the Governor; and provided, further, the provisions of this section with respect to user taxes shall be applicable only if the legislature in the specific act or acts authorizing the issuance of the revenue bonds has provided that the revenue bonds may be paid from and secured by the user taxes derived from the undertaking.

The provisions of this part and any resolution or certificate shall be a contract with the holder or holders of the revenue bonds; and the duties of the department, its governing body and department head, under this part, and any resolution or certificate shall be enforceable by any bondholder, by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

**"Sec. 39-56. Validity of revenue bonds.** The revenue bonds bearing the signature of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all the persons whose signatures appear thereon shall have ceased to be officers of the State or of the department. The validity of the revenue bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of the undertaking for which the revenue bonds are issued. The resolution or certificate authorizing the revenue bonds may provide that the revenue bonds shall contain a re-

cital that they are issued pursuant to this part, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

**"Sec. 39-57. Lien and charge of revenue bonds.** Unless otherwise provided in the resolution or certificate, all revenue bonds of the same issue shall, subject to the prior and superior rights of outstanding revenue bonds, claims or obligations, have a prior and paramount lien and charge on the revenue, or the user taxes, or combination of both, pledged to the payment thereof, of the undertaking for which the revenue bonds have been issued, over and ahead of all bonds of any issue payable from such revenue, or user taxes, or combination of both, which may be subsequently issued and over and ahead of any claims or obligations of any nature against such revenue, or user taxes, or combination of both, subsequently arising or subsequently incurred. All revenue bonds of the same issue shall be equally and ratably secured without priority by reason of number, date of bonds, of sale, of execution, or of delivery, by a lien and charge on the revenue or user taxes, or combination of both, pledged to the payment thereof, in accordance with this chapter and the resolution or certificate authorizing the revenue bonds.

**"Sec. 39-58. Revenue bonds not a general obligation of State.** Revenue bonds issued under this part shall be payable solely from and secured solely by the revenue, or the user taxes, or combination of both, pledged to the payment thereof, of the undertaking for which the bonds have been issued, or secured solely by and payable solely from a special fund to be maintained from such revenue, or user taxes, or combination of both, pledged to such special fund, and shall not constitute a general obligation of the State or a charge upon the general fund of the State, nor shall the full faith and credit of the State be pledged to the payment of the principal and interest thereof. Each bond issued under this part shall recite in substance that the said revenue bonds and the interest thereon are payable solely from and secured solely by the revenue, or the user taxes, or combination of both, pledged to the payment thereof, of the undertaking for which the revenue bond is issued, or secured solely by and payable solely from a special fund to be maintained from such revenue, or user taxes, or combination of both, pledged to such special fund, and that the revenue bond is not a general obligation of the State and the full faith and credit of the State are not pledged to the payment of such principal and interest.

**"Sec. 39-59. Undertakings to be self-sustaining.** The department issuing revenue bonds pursuant to this part shall impose, prescribe and collect rates, rentals, fees or charges for the use and services of and the facilities and commodities furnished by the undertaking for which the revenue bonds are issued, and shall revise such rates, rentals, fees or charges from time to time whenever necessary, so that, together with the proceeds of the user taxes derived with respect to the undertaking pledged to the payment of such revenue bonds, such undertaking shall be and always remain self-sustaining. The rates, rentals, fees or charges imposed and prescribed shall produce revenue which, together with the proceeds of such user taxes, will be at least sufficient:

- (1) To make the required payments of the principal of and interest on all

## ACT 9

bonds issued for the undertaking, including the payment of all bonds and interest thereon for the payment of which such revenue, or user taxes, or combination of both, are or shall have been pledged, charged or otherwise encumbered, or which are otherwise payable from such revenue, or user taxes, or combination of both, or are payable from a special fund maintained, or to be maintained, from such revenue, or user taxes, or combination of both, including reserves therefor, and to maintain the special fund in an amount at least sufficient to pay when due all bonds and interest thereon which are payable from the special fund, including reserves therefor;

- (2) To pay the cost of operation, maintenance and repair of the undertaking, including reserves therefor; and
- (3) To carry out the covenants of the resolution or resolutions or certificate or certificates authorizing the issuance of the revenue bonds, including any covenants approved by the Governor as to the minimum amounts of revenue to be produced by the undertaking for which the revenue bonds are issued.

The legislature of the State hereby covenants, pledges and obligates itself, whenever it shall have authorized the issuance for an undertaking of revenue bonds payable solely from and secured solely by the user taxes derived with respect to such undertaking, or payable from and secured by such user taxes and the revenue, or any combination of both, of such undertaking to impose, or continue to impose, user taxes with respect to the undertaking in amounts at least sufficient, together with the revenue of the undertaking pledged to such payment and security, so that the undertaking shall be and always remain self-sustaining and so that all payments referred to in the preceding paragraph of this section including reserves therefor, may be made when due and so that the covenants referred to in said provisions may be complied with.

**"Sec. 39-60. Use of revenue and user taxes of undertaking.** Whenever any revenue bonds have been issued under this part for an undertaking, the revenue, or the user taxes, or combination of both, from which such revenue bonds are payable and by which they are secured of such undertaking shall be deposited in a special fund and shall be appropriated, applied or expended, and the department shall have the right to appropriate, apply or expend the same, in the amount necessary therefor for the following purposes and in the following order of priority:

- (1) To pay when due all revenue bonds and interest thereon issued for the undertaking, for the payment of which the revenue, or user taxes, or combination of both, is or shall have been pledged, charged, or otherwise encumbered, including reserves therefor;
- (2) To pay or provide for the payment of the cost of operation, maintenance and repair of such undertaking, including reserves therefor;
- (3) For such purposes, within the jurisdiction, powers, duties, and functions of the department, including the creation and maintenance of reserves, as shall have been covenanted in any resolution, resolutions, certificate or certificates of the department providing for the

issuance of revenue bonds;

- (4) To reimburse the general fund of the State for all bond requirements for general obligation bonds which are or shall have been issued for the undertaking, or to refund any of such general obligation bonds, except insofar as such obligation of reimbursement has been or shall be canceled by the legislature, such bond requirements being the interest on term and serial bonds, sinking fund for term bonds, and principal of serial bonds maturing the following year;
- (5) To provide for betterments and improvements to the undertaking, including reserves therefor;
- (6) To provide such special reserve funds and other special funds as are or may be created by law.

Unless and until adequate provision has been made for the foregoing purposes, the State shall not have the right to transfer to its general fund or apply to any other purposes any part of the revenue, or user taxes, pledged to the payment of such revenue bonds, of such undertaking.

**“Sec. 39-61. Undertaking and revenue bonds exempt from taxation.**

So long as the State owns any undertaking, the property and revenue of the undertaking shall be exempt from all state, county, and municipal taxation. Revenue bonds and the income therefrom issued pursuant to this part shall be exempt from all state, county, and municipal taxation except inheritance, transfer, and estate taxes.

**“Sec. 39-62. Consent of governmental agencies.** It shall not be necessary for any department proceeding under this part to obtain any certificate of convenience or necessity, franchise, license, permit, or other authorization from any bureau, board, commission, or other like instrumentality of the State or its political subdivisions in order to acquire, construct, purchase, reconstruct, improve, better, extend, maintain, and operate an undertaking.

**“Sec. 39-63. Construction.** The powers conferred by this part shall be in addition and supplemental to the powers conferred by any other law. The undertaking may be acquired, purchased, constructed, reconstructed, improved, bettered, and extended, and revenue bonds may be issued under this part for this purpose, notwithstanding that any other law may provide for the acquisition, purchase, construction, reconstruction, improvement, betterment, and extension of a like undertaking, and without regard to the requirements, restrictions, limitations or other provisions contained in any other law. Insofar as the provisions of this part are inconsistent with the provisions of any other laws, the provisions of this part shall be controlling.

**“Sec. 39-64. Execution of revenue bonds.** Revenue bonds issued pursuant to this part shall be executed by the head of the department and sealed with the seal of the department or in lieu thereof shall bear a lithographed or engraved facsimile of such seal. Further, they shall be countersigned by the state director of finance or in lieu thereof shall bear a lithographed or engraved facsimile of the signature of the director. The coupons pertaining to the bonds shall be executed with the lithographed or engraved facsimile signatures of the

## ACT 9

head of the department and the director of finance. In the case of a department having a governing body, the member thereof who is the chairman or other titular head shall, for the purposes hereof, be the head of the department.

**“Sec. 39-65. Duties of the director.** The director of finance of the State, when requested by the department, shall render full and complete assistance to any department in the preparation and sale of revenue bonds issued pursuant to this part. The director shall be the fiscal agent of the department for the payment of all principal and interest, and for the transfer of bonds. The provisions of sections 36-3 and 39-12, relating to the appointment by the director of other fiscal agents and transfer agents, and to the status of funds held by these fiscal agents, to the extent that they may appropriately be applied, shall be deemed incorporated in this part.

The director shall cause to be set up in the treasury of the State suitable accounts for the deposit of all revenues of the undertaking, and for the payment of all revenue bonds and the interest thereon and for all other payments provided or required by this part, and for the holding of all reserves created under this part.

**“Sec. 39-66. Investment of reserves.** The director of finance, with the approval of the department, may invest any money held as reserves, which in the department's judgment are in excess of the amounts necessary for the meeting of immediate requirements, in bonds, notes, or other obligations of the United States, or of the State, or of any political or municipal corporation or subdivision of the State. Income derived therefrom shall be treated as revenue of the undertaking; expenses of purchase, safekeeping, sale, and redemption, and all other expenses attributable to the investments shall be proper expenses of the undertaking. Securities so purchased shall be considered as being deposited in the director's custody or control by the department.

**“Sec. 39-67. Transfers to department.** When there are moneys in the general, special, or revolving funds of the State which in the director of finance's judgment are in excess of the amounts necessary for the immediate state requirements, the director may make temporary transfers of such moneys to the department for purposes for which bonds may be issued, if in his judgment the action will not impede or hamper the necessary financial operations of the State. The total of temporary transfers for any undertaking shall not exceed the sum of the unissued bonds authorized therefor by the legislature. The general, special, or revolving funds shall be reimbursed from the proceeds of sale of such bonds upon the eventual issuance and sale of such bonds. The sale of such bonds shall not be deferred beyond the date fixed by the director for reimbursement.

Likewise, the director may make temporary transfers from such funds to any account which has been set up in the treasury for the payment of revenue bonds, or the interest thereon, or to any other account which has been set up in the treasury for the making of such other payments as are provided or required in this part. Any transfer may be made when the account is first opened and prior to any payment therefrom, or prior to the issuance of revenue bonds for

the undertaking, or at any time when the account may be temporarily depleted. No transfer shall be made unless, in the director's judgment, the account to which the moneys are transferred will be able to effect reimbursement on or before the date fixed by the director for reimbursement.

No interest shall be charged upon any transfer so made, and transfers shall be made only upon the request of the department.

**"Sec. 39-68. General laws applicable.** The provisions of part II, relating to destroyed or defaced bonds, and to lost, destroyed, or stolen coupons, to the extent that they are applicable, shall apply to revenue bonds issued pursuant to this part.

**"Sec. 39-69. Revenue bonds legal investments.** All public officers and bodies of the State, all political subdivisions, all insurance companies and associations, all banks, savings banks, and savings institutions, including building or savings and loan associations, all trust companies, all executors, administrators, guardians, trustees, and all other persons and fiduciaries in the State who are regulated by law as to the character of their investment, may legally invest funds within their control and available for investment in revenue bonds of the State. The purpose of this section is to authorize any persons, firms, corporations, associations, political subdivisions, bodies, and officers, public or private, to use any funds owned or controlled by them, including (without prejudice to the generality of the foregoing), sinking, insurance, investment, retirement, compensation, pension, and trust funds, and funds held on deposit, for the purchase of any revenue bonds of the State.

**"Sec. 39-70. Refunding revenue obligations.** Whenever the State or any department thereof shall have outstanding any revenue bonds and the department, with the approval of the Governor and the director of finance, determines that it will be financially sound and advantageous to the State to refund the outstanding revenue bonds, the department, with the approval of the Governor, shall have the power to provide for the issuance of refunding revenue bonds with which to call and redeem the outstanding revenue bonds or any part thereof at or before the maturity or redemption date thereof, with the right to include various series and issues of the outstanding revenue bonds in a single issue of refunding revenue bonds, and to issue refunding revenue bonds to pay any redemption premium and interest to accrue and become payable on the outstanding revenue bonds being refunded and to establish reserves for the refunding revenue bonds, and also to issue revenue bonds partly to refund outstanding revenue bonds and partly for the construction or acquisition of improvements and additions to and extensions of the undertaking for the construction or acquisition of which the outstanding revenue bonds were issued. The refunding revenue bonds shall be payable solely from and secured solely by the revenue of the undertaking, or the user taxes derived with respect to such undertaking, or a combination of both, from which were payable and by which were secured the outstanding revenue bonds to be refunded, and shall be a valid claim only as against such revenue, or user taxes, or combination of both. The interest rate or rates on the refunding revenue bonds shall not be

## **ACT 10**

limited by the interest rate or rates borne by any of the revenue bonds to be refunded thereby. The refunding revenue bonds may in the discretion of the department, with the approval of the Governor and the director of finance, be exchanged at par for the revenue bonds which are being refunded or may be sold at public or private sale in such manner and at such price or prices as the department shall deem for the best interests of the State and may be issued and delivered at any time prior to the date of maturity or redemption date of the revenue bonds to be refunded that the department determines to be in the best interest of the State. The refunding revenue bonds shall, except as specifically provided in this section, be issued in accordance with the provisions with respect to revenue bonds set forth in this part. Pending the time the proceeds derived from the sale of refunding bonds issued hereunder are required for the purposes for which they were issued, such proceeds, upon authorization or approval of the Governor, may be invested in obligations of, or obligations unconditionally guaranteed by, the United States of America or in savings accounts, time deposits or certificates of deposit of any bank or trust company within or without the State, to the extent that such savings accounts, time deposits or certificates of deposit are collaterally secured by a pledge of obligations of, or obligations unconditionally guaranteed by, the United States of America, and to further secure such refunding revenue bonds, or the revenue bonds being refunded, or both, the State may enter into a contract with any bank or trust company, within or without the State, with respect to the safekeeping and application of the proceeds of such refunding revenue bonds, and the safekeeping and application of the earnings of such investment. All revenue bonds so refunded and redeemed by the issue and sale or issue and exchange of refunding revenue bonds shall be canceled. The determination of the department with respect to the financial soundness and advantage of the issuance and delivery of refunding revenue bonds authorized hereby when approved by the Governor and the director of finance shall be conclusive, but nothing herein shall require the holders of any outstanding revenue bonds being refunded to accept payment thereof otherwise than as provided in the revenue bonds to be refunded."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved April 30, 1969.)

## **ACT 10**

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

## **ACT 10**

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

## ACT 11

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.)

ACT 11

S. B. NO. 132

A Bill for an Act Relating to Recordation of Armed Services Separation Document at the Bureau of Conveyances.

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

SECTION 1. The first paragraph of section 343-57, Revised Laws of Hawaii 1955, is amended to read as follows:

**"Section 343-57. Veterans' certificates; photographing of.** The bureau of conveyances, upon request of a veteran, resident in Hawaii, or his next of kin, shall photograph any honorable discharge certificate or other separation or discharge document from the military or naval service of the United States of such veteran and establish and maintain a record and an index of photographic copies of all certificates and documents of which such photographs may be made."

SECTION 2. New material is underscored. In printing this Act, the revi-

sor of statutes may exclude the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved May 5, 1969.)

**ACT 12**

H. B. NO. 263

A Bill for an Act Relating to Employment Security and Amending Chapter 93, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 93-69(b) Revised Laws of Hawaii 1955 is amended to read:

“(b) Each employer shall make at the time and in the manner prescribed by the department a full, true and correct report with respect to the wages paid by him, which report shall contain other information as may be prescribed by the department. The report shall be made by the employer even though he is not required to pay contributions.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 5, 1969.)

**ACT 13**

H. B. NO. 270

A Bill for an Act Relating to Workmen's Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

\* Edited accordingly

## ACT 14

SECTION 1. Section 97-8, Revised Laws of Hawaii 1955 is amended by adding thereto the following paragraph:

“If the special compensation fund has paid or is liable for any compensation under this chapter, the fund shall be entitled to all the rights and remedies granted an employer under this section; provided that the employer’s right to reimbursement for compensation payments and expenses under this chapter shall have priority.”

SECTION 2. This Act shall take effect upon its approval.

(Approved May 5, 1969.)

**ACT 14**

H. B. NO. 261

A Bill for an Act Relating to Employment Security and Amending Chapter 93, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93-63, Revised Laws of Hawaii 1955 is amended to read:

**“Section 93-63. Credits for contributions; destruction of employer accounts and records.** (a) The director shall maintain a separate account for each employer and shall credit his account with all the contributions paid by him as of the date of payment. Nothing in this chapter shall be construed to grant any employer or individual in his service prior claims or rights to the amounts paid by the employer into the fund.

“(b) If an employer’s account becomes inactive because services constituting employment are no longer performed for him and the account remains inactive for five consecutive calendar years, the account shall become void and may be destroyed, and, notwithstanding any provision to the contrary, the employer shall have no claim or right to the contributions credited to the account.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 6, 1969.)

A Bill for an Act Amending Act 196, Session Laws of Hawaii 1967 Relating to the National Guard.

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

SECTION 1. Chapter 353, Revised Laws of Hawaii 1955, as amended by Act 196, Session Laws of Hawaii 1967, is hereby further amended in the following respects:

(a) Section 353-1 is hereby amended by deleting the word "male" wherever it appears in said section.

(b) Sections 353-4, 353-12, 353-40 and 353-41 are hereby amended by deleting therefrom the word "men" wherever it appears in said sections and by substituting in lieu thereof the word "personnel".

(c) Sections 353-27 and 353-42 are hereby amended by deleting therefrom the word "man" where it appears in said sections and by inserting in lieu thereof the word "member".

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 9, 1969.)

A Bill for an Act Relating to Employment Security and Amending Chapter 93, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93-94, Revised Laws of Hawaii 1955 is amended to read:

**"Section 93-94. Disclosure of Information.** (a) Except as otherwise provided in this chapter, information obtained from any employing unit or individual pursuant to the administration of this chapter and determinations as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant (or his legal representative) shall be supplied with information from the records of the department to the extent necessary for the proper presentation of his claim in any proceeding

## **ACT 17**

under this chapter. Subject to such restrictions as the director may by regulation prescribe, the information and determinations may be made available to:

- “(1) any federal or state agency charged with the administration of an unemployment compensation law or the maintenance of a system of public employment offices,
- “(2) the bureau of internal revenue of the United States Department of Treasury,
- “(3) any federal, state or municipal agency charged with the administration of a fair employment practice or anti-discrimination law, and
- “(4) any other federal, state or municipal agency if the director deems that the disclosure to the agency serves the public interest.

“(b) Information obtained in connection with the administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service.

“(c) Upon requests therefor the department shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits under this chapter.

“(d) The department may request the comptroller of the currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to this chapter, and may in connection with the request transmit any of the report or return to the comptroller of the currency of the United States as provided in section 3305(c) of the Federal Internal Revenue Code.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 9, 1969.)

## **ACT 17**

H. B. NO. 271

A Bill for an Act Relating to Workmen's Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 97-9, Revised Laws of Hawaii 1955 is amended to

read:

**"Section 97-9. Contracting out forbidden.** Except as provided in section 97-77, no contract, rule, regulation or device whatsoever shall operate to relieve the employer in whole or in part from any liability created by this chapter."

SECTION 2. Section 97-77, Revised Laws of Hawaii 1955 is amended to read:

**"Section 97-77. Compromise.** (a) No compromise in regard to a claim for compensation pending before the director shall be valid."

"(b) No compromise in regard to a claim for compensation shall be effected and approved in any appeal until after the director has been notified of the proposed terms thereof and has had an opportunity to be heard relative thereto."

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 9, 1969.)

ACT 18

H. B. NO. 272

A Bill for an Act Relating to Workmen's Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 97-30(b), Revised Laws of Hawaii 1955 is amended by adding thereto the following paragraph:

"Temporary total disability benefits shall be paid promptly as it accrues and directly to the person entitled thereto without waiting for a decision from the director, unless the right to the benefits is controverted by the employer. The first payment of benefits shall become due and shall be paid no later than on the tenth day after the employer has been notified of the occurrence of the total disability, and thereafter the benefits due shall be paid weekly except as otherwise authorized pursuant to section 97-52."

SECTION 2. Section 97-52, Revised Laws of Hawaii 1955 is amended to read:

**"Section 97-52. Non-weekly periodic payments.** On the application of

## ACT 19

either party, the director may, having due regard for the welfare of the employee or his dependents and the convenience of his employer, authorize benefits to be paid fortnightly, semimonthly, monthly or quarterly instead of weekly."

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

(Approved May 9, 1969.)

## ACT 19

S. B. NO. 97

A Bill for an Act Relating to Marriage Officiants.

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

SECTION 1. Section 323-11, Revised Laws of Hawaii 1955, is amended to read as follows:

"It shall not be lawful for any person to perform the marriage ceremony within the State without first obtaining from the department of health a license to solemnize marriages."

SECTION 2. Section 323-12, Revised Laws of Hawaii 1955, is amended to read as follows:

"A license to solemnize marriages may be issued to, and the marriage rite may be performed and solemnized by any minister, priest, or officer of any religious denomination or society who has been ordained or is authorized to solemnize marriages according to the usages of such denomination or society, or any justice or judge or magistrate, active or retired, of a state or federal court in the State, upon presentation to him of a license to marry, as prescribed by this chapter. He may receive the price stipulated by the parties or the gratification tendered to him."

SECTION 3. Chapter 323, Revised Laws of Hawaii 1955, is amended by adding a new section to be appropriately numbered and to read as follows:

**"Section 323- Rules and Regulations.** The director of health may make such rules and regulations as may be necessary or appropriate to carry out the provisions of this chapter."

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 5. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to con-

\* Edited accordingly

form with the Hawaii Revised Statutes.

SECTION 6. This Act shall take effect upon its approval.

(Approved May 13, 1969.)

**ACT 20**

S. B. NO. 17

A Bill for an Act Relating to Water Pollution Control.

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

SECTION 1. Section 321-16 of the Hawaii Revised Statutes is amended by adding at the end thereof the following paragraph:

“The director may apply to any court of competent jurisdiction to enjoin any violation of this section or of any rule or regulation promulgated under this section.”

SECTION 2. This Act shall take effect upon its approval.

(Approved May 13, 1969.)

**ACT 21**

H. B. NO. 276

A Bill for an Act Relating to Workmen’s Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

SECTION 1. Chapter 97, Revised Laws of Hawaii 1955 is amended by adding thereto the following section:

**“Section 97-144. Litigation expenses.** All litigation expenses, including but not limited to court costs, attorneys’ fees and witness fees incurred by the director in preparation, prosecution or defense of any action brought on behalf of or against the special compensation fund shall be paid from the fund.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 13, 1969.)

## ACT 22

ACT 22

S. B. NO. 80

A Bill for an Act Relating to Traveling Expenses of State Officials.

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

SECTION 1. The second sentence of section 5-16, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read:

"The comptroller shall issue a warrant payable to such official for such purpose, at the above rate, from the date of his departure from, to the date of his return to, the State, upon being furnished by such official with a certified statement setting forth the time of absence."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or "in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 15, 1969.)

ACT 23

S. B. NO. 90

A Bill for an Act Relating to Fees for Service of Process.

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

SECTION 1. Section 219-4, R.L.H. 1955, as amended by Act 61, S.L.H. 1968, is amended by amending the sixth and ninth paragraphs to read as follows:

"For serving any civil summons, warrant, attachment or other civil process, \$3.

For serving subpoena or garnishee summons, \$2 for each person."

SECTION 2. Section 219-8, R.L.H. 1955, as amended by Act 61, S.L.H. 1968, is hereby amended by amending the third and fourth paragraphs therein to read as follows:

"For serving civil summons or any other civil process, except a subpoena or a garnishee summons, for each person served therewith ..... \$3.

For serving subpoena or garnishee summons, for each person ..... \$2."

SECTION 3. Material to be repealed is bracketed. New material is un-

\* Edited accordingly

## **ACT 25**

derscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

**SECTION 4.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** This Act shall take effect on July 1, 1969.

(Approved May 15, 1969.)

## **ACT 24**

H. B. NO. 27

A Bill for an Act Relating to the Removal of Heads of Departments.

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

**SECTION 1.** The last sentence of section 14A-2, Revised Laws of Hawaii 1955, is amended to read as follows:

“The governor may remove a single executive from office at any time, except that the removal of the attorney general shall be subject to the advice and consent of the senate.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 15, 1969.)

## **ACT 25**

H. B. NO. 277

A Bill for an Act Relating to Workmen’s Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 97-31, Revised Laws of Hawaii 1955 is amended by adding thereto the following subsection:

\* Edited accordingly

## ACT 26

“(d) Permanent partial disability benefits to be undiminished. After the employer has paid the maximum amount of weekly benefit payments specified in subsection (c), any unpaid balance of benefits awarded under section 97-31(a) shall be paid to the injured employee from the special compensation fund.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 15, 1969.)

## ACT 26

H. B. NO. 319

A Bill for an Act Relating to the Advisory Committee on Markets and Amending Chapter 147, Hawaii Revised Statutes.

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

SECTION 1. Section 147-3 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 147-3. Advisory committee on markets.** There shall be an advisory committee on markets composed of the chairman of the board of agriculture or his representative who shall be chairman of the committee, the attorney general or a deputy attorney general designated by him, one officer of the University of Hawaii extension service, and three other members, one representing the producers, one representing the produce dealers, and one representing the retail food dealers. The latter three members shall be chosen by the unanimous action of the other members.”

SECTION 2. This Act shall take effect upon its approval.

(Approved May 15, 1969.)

## ACT 27

H. B. NO. 486

A Bill for an Act Relating to the Hawaii Feed Law.

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

SECTION 1. Subsection 24-3(e), Revised Laws of Hawaii 1955, as amended, is deleted in its entirety and the following substituted therefor:

“(e) The term ‘commercial feed’ means all materials which are designed

for use as feed, or for mixing in feed, for animals other than dogs, cats or other domestic pets, and which are distributed or imported except:

- “(1) Unmixed or unprocessed whole seeds which are not adulterated within the meaning of section 24-7.
- “(2) Hay, straw, stover, silage, cobs, husks, and hulls.
- “(i) when unground or
- “(ii) when unmixed with other materials
- “(3) Wet garbage.
- “(4) Individual chemical compounds when not mixed with other materials.
- “(5) Unmixed feeding cane molasses, unmixed pineapple pulp, unmixed pineapple hay, and unmixed sugar cane hay.”

SECTION 2. Subsections 24-3(g) through (o), Revised Laws of Hawaii 1955, as amended, are deleted in their entirety and the following substituted therefor:

“(g) The term ‘mineral feed’ means a substance or mixture of substances designed or intended to supply primarily mineral elements or inorganic nutrients.

“(h) The term ‘custom-mixed feed’ means a special commercial mixture which is formulated by the manufacturer or processor in accordance with the specific instructions of the final purchaser and contains feed material or materials wholly or partly supplied by such manufacturer or processor.

“(i) The term ‘toll-milled feed’ means a special feed which is processed by the processor (1) from materials entirely delivered by the owner thereof or his authorized agent and (2) in accordance with the specific instructions of such owner, and which is not distributed.

“(j) The term ‘commercial mixed feed’ means a commercial feed which is a mixture or blend of more than one feed ingredient.

“(k) The term ‘commercial simple feed’ means a commercial feed that consists of only one feed ingredient.

“(l) The term ‘brand name’ means any word, name, symbol or device or any combination thereof identifying the commercial feed of a distributor and distinguishing it from that of others.

“(m) The term ‘product name’ means the name of the commercial feed which identifies it as to kind, class, or specific use.

“(n) The term ‘label’ means a display of written, printed or graphic matter upon or affixed to the container in which a commercial feed is distributed or imported, or on the invoice or delivery slip with which a commercial feed or custom-mixed feed is distributed or imported.

“(o) The term ‘ton’ means a net weight of two thousand pounds avoirdupois.

“(p) The term ‘percent’ or ‘percentage’ means percentage by weight.

“(q) The term ‘official sample’ means any sample of feed taken by the board or its agent and designated as ‘official’ by the board of agriculture.”

SECTION 3. Paragraphs (2) and (3) of subsection 24-5(a), Revised Laws of Hawaii 1955, as amended, are amended to read as follows:

## ACT 27

- "(2) The product name or brand name under which the commercial feed is distributed.
- "(3) The guaranteed analysis of the commercial feed, listing the minimum percentage of crude protein, minimum percentage of crude fat, maximum percentage of crude fiber, and maximum percentage of ash; additional guarantees required to be or intentionally shown, shall appear only in the guaranteed analysis section of the label after the guarantee for maximum ash. For all mineral feeds and for those commercial feeds containing a level of added mineral ingredients, the list shall include the following, if added: minimum and maximum percentage of calcium (Ca), minimum percentage of phosphorus (P), minimum percentage of iodine (I), and minimum and maximum percentage of salt (NaCl). Other substances or elements, determinable by laboratory methods, may be guaranteed by permission of the board of agriculture. When any items are guaranteed, it shall be subject to inspection and analysis in accordance with the methods and regulations that may be prescribed by the board of agriculture. Products sold solely as mineral and vitamin supplements and guaranteed as specified in this section need not show guarantee for protein, fat, fiber and ash but must be labeled with adequate feeding or mixing directions."

SECTION 4. Paragraph (4) of subsection 24-5(c), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

- "(4) Product name and brand name, if any, of each registered commercial feed used in the mixture and the name and number of pounds of each other feed ingredient added."

SECTION 5. The third proviso of section 24-6(a), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"and provided, further, that a distributor shall pay an annual registration fee of \$25 for each brand of commercial feed distributed in individual packages of ten pounds or less, and the distributor of such brand shall not be required to pay the inspection fee on such packages of the brand so registered;"

SECTION 6. Paragraph (1) of subsection 24-6(b), Revised Laws of Hawaii 1955, as amended, is amended by inserting between the first and second sentences of said paragraph the following:

"Inspection fees which are due and owing and have not been remitted to the department within thirty days following the due date shall have a penalty fee of five per cent added to the amount due when payment is finally made. The assessment of this penalty fee shall not prevent the department from taking other action as provided in this chapter."

SECTION 7. Except as otherwise indicated, statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

\* Edited accordingly

**SECTION 8.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 9.** This Act shall take effect upon its approval.

(Approved May 15, 1969.)

**ACT 28**

H. B. NO. 240

A Bill for an Act Relating to Leahi Hospital.

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

**SECTION 1.** Act 70, Section 3, Session Laws of Hawaii 1968 is hereby amended by the addition of a new paragraph reading as follows:

“The department shall operate and manage Leahi Hospital and perform all acts necessary or convenient to such management and control, and all such acts heretofore performed in this connection by the department are hereby ratified and confirmed.”

**SECTION 2.** The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 16, 1969.)

**ACT 29**

S. B. NO. 98

A Bill for an Act Relating to Premarital Examinations.

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

**SECTION 1.** Section 323-7, Revised Laws of Hawaii 1955, is amended by deleting paragraph (i).

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to con-

## ACT 30

form with the Hawaii Revised Statutes.

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

(Approved May 19, 1969.)

## ACT 30

S. B. NO. 828

A Bill for an Act Relating to Public Utilities and Amending Section 269-1 of the Hawaii Revised Statutes.

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

SECTION 1. Item (5) of the first paragraph of section 269-1 of the Hawaii Revised Statutes is hereby amended to read as follows:

“(5) shall not include the business of any carrier by water to the extent that such carrier enters into private contracts for towage, salvage, hauling or carriage between points within the State and the carriage is not pursuant to either an established schedule or an undertaking to perform carriage services on behalf of the public generally, and also shall not include the business of any carrier by water, substantially engaged in interstate or foreign commerce, transporting passengers on luxury cruises between points within the State or on luxury round-trip cruises returning to the point of departure.”

SECTION 2. This Act shall take effect upon its approval.

(Approved May 19, 1969.)

## ACT 31

H. B. NO. 278

A Bill for an Act Relating to Workmen's Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

SECTION 1. The first paragraph of Section 97-111, Revised Laws of Hawaii 1955 is amended to read:

**“Section 97-111. Reports of physicians, surgeons and hospital.** Any physician, surgeon or hospital that has given any treatment or rendered any service to an injured employee shall make a report of the injury and treatment on forms prescribed by and to be obtained from the department as follows:

- “(1) Within seven days after the date of first attendance or service rendered, a report shall be made to the department and to the employer of the injured employee in the manner prescribed by the department.
- “(2) Interim reports to the same parties and in the same manner as prescribed in paragraph (1) shall be made at intervals of twenty-one days or less during continuing treatment.
- “(3) Final report to the same parties and in the same manner as prescribed in paragraph (1) shall be made within seven days after termination

of treatment.

"No claim under this chapter for medical or surgical treatment, or hospital services and supplies, shall be valid and enforceable unless the reports are made as provided in this section, except that the director may excuse the failure to make the report within the prescribed period when he finds it in the interest of justice to do so."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved May 19, 1969.)

**ACT 32**

H. B. NO. 5

A Bill for an Act Relating to Legislator Retirement Benefits.

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

**SECTION 1.** Section 6-38, Revised Laws of Hawaii 1955, is amended by amending the second paragraph to read as follows:

"For service rendered as a member of the legislature from and after November 5, 1968, the actual annual salary of a member shall be the only amount used for determining the member's average final compensation. For service rendered as a member of the legislature prior to November 5, 1968, and after admission of this State into the union, the annual compensation of a member shall be computed, for the purpose of determining the member's average final compensation, as follows: during a year in which a general session was held, it shall be deemed to have been an amount equal to four times the salary of a member of the legislature for a general session; and during a year in which a budget session was held, it shall be deemed to have been an amount equal to six times the salary of a member of the legislature for a budget session. For service rendered as a member of the legislature prior to the admission of this State into the union, the annual compensation of a member shall be deemed to have been four times the salary of a member of the legislature for a regular session for each year during his term of office."

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved May 21, 1969.)

**ACT 33**

**ACT 33**

**H. B. NO. 196**

A Bill for an Act Relating to Marriage License Agents and Amending Section 572-5 of the Hawaii Revised Statutes.

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

SECTION 1. Section 572-5 of the Hawaii Revised Statutes is hereby amended by deleting the phrase and commas “, except in the district of Honolulu,” appearing in subsection (a) thereof.

SECTION 2. This Act shall take effect upon its approval.

(Approved May 22, 1969.)

**ACT 34**

**H. B. NO. 283**

A Bill for an Act Relating to Industrial Safety and Amending Chapter 96, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 96-3, Revised Laws of Hawaii 1955 is amended by adding after paragraph (e) the following:

“(f) Shall inspect construction activities for the purpose of protecting the health and safety of employees and the general public. A construction activity includes any activity related to the erection, construction, alteration, demolition or maintenance of buildings, structures, bridges, highways, roadways, dams, tunnels, sewers, underground buildings or structures, underground pipelines or ducts, and any other construction project or facility.”

SECTION 2. Section 96-3(b), Revised Laws of Hawaii 1955 is amended to read:

“(b) Shall enforce all rules and regulations made by the director of labor and industrial relations pursuant to this chapter.”

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

(Approved May 22, 1969.)

**ACT 35**

**H. B. NO. 413**

A Bill for an Act Relating to Breeding of Domestic Animals in Quarantine and Amending Chapter 142 of the Hawaii Revised Statutes.

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

SECTION 1. Section 142-7 of the Hawaii Revised Statutes is hereby amended to read as follows:

**“Section 142-7. Breeding in quarantine prohibited: penalty.** The use of a domestic animal for breeding purposes while the domestic animal is quar-

anted is prohibited, except that the department of agriculture may with the written permission of the owner and under rules and regulations adopted by the department permit the collection of semen from the domestic male animal or the artificial insemination of the domestic female animal while in quarantine by a licensed veterinarian under the supervision of an agent of the department. Any person violating this section shall be fined not more than \$100 or imprisoned not more than sixty days."

SECTION 2. This Act shall take effect upon its approval.

(Approved May 22, 1969.)

**ACT 36**

H. B. NO. 54

A Bill for an Act Relating to Raising Minimum Wages.

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

SECTION 1. Section 387-1, Hawaii Revised Statutes is amended by amending the definition of the term "wage" to read:

"Wage" means (except as the department may provide under Section 387-11) legal tender of the United States or checks on banks convertible into cash on demand at full face value thereof and in addition thereto the reasonable cost as determined by the department, to the employer of furnishing an employee with board, lodging or other facilities if such board, lodging or other facilities are customarily furnished by such employer to his employees. Except for the purposes of the last sentence of Section 387-2, "wage" shall not include tips or gratuities of any kind."

SECTION 2. Section 387-1, Hawaii Revised Statutes is further amended by adding thereto the following definition:

"Tipped employee" means any employee engaged in an occupation in which he customarily and regularly receives more than \$20.00 a month in tips."

SECTION 3. Section 387-2, Hawaii Revised Statutes is amended to read:

**"Minimum Wages.** From and after July 1, 1969 and until December 31, 1969, every employer, except as the director of labor and industrial relations may provide pursuant to Section 387-9, shall pay to each employee employed by him wages at the rate of not less than \$1.40 per hour. From and after January 1, 1970, every employer, except as the director of labor and industrial relations may provide pursuant to Section 387-9 and as provided in this paragraph, shall pay to each employee employed by him wages at the rate of not less than \$1.60 per hour. The wage of a tipped employee may be deemed to be increased on account of tips if such employee is paid at least \$1.40 per hour by his employer and the combined amount he receives from his employer and in tips is at least fifty cents more than the applicable minimum wage."

SECTION 4. This Act shall take effect on July 1, 1969.

(Approved May 23, 1969.)

**ACT 37**

**ACT 37**

**H. B. NO. 233**

A Bill for an Act Relating to Vehicle Height and Amending Chapter 291, Hawaii Revised Statutes.

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

SECTION 1. Section 291-34 of the Hawaii Revised Statutes, is amended to read as follows:

“(b) Height. No motor vehicle or other power vehicle having an overall height greater than 13 1/2 feet, including load, shall be operated or moved upon any public road, street, or highway within the State except as hereinafter provided; and provided further, that no motor vehicle or other power vehicle shall be operated under or through any bridge or other highway structure if the height of the motor vehicle or other power vehicle exceeds the posted height for the bridge or other highway structure.”

SECTION 2. This Act shall take effect July 1, 1969.

(Approved May 23, 1969.)

**ACT 38**

**S. B. NO. 78**

A Bill for an Act Relating to State Motor Vehicles.

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

SECTION 1. Section 7-15, Revised Laws of Hawaii 1955, is amended to read:

**“Sec. 7-15. Inscription on State motor vehicles.** Unless excepted, every motor vehicle owned or controlled by the State of Hawaii shall bear on both sides thereof a facsimile of the State seal and beneath the seal the words ‘For Official Use Only’ and the name of the department, commission, board, bureau, officer, agency or instrumentality thereof controlling or possessing such motor vehicle. This section shall not apply to such motor vehicles as are furnished the governor, lieutenant governor, chief justice of the supreme court, and the president of the University of Hawaii.”

SECTION 2. Section 7-17, Revised Laws of Hawaii 1955, is amended to read:

**“Sec. 7-17. Character of inscription.** The letters of such words as are required by sections 7-15 and 7-16 shall be painted or applied on all such motor vehicles in characters of a plain, bold size.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 4. Notwithstanding the adoption of Act 16, Session Laws of

\* Edited accordingly

Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** This Act shall take effect on July 1, 1969.

(Approved May 23, 1969.)

**ACT 39**

S. B. NO. 1102

A Bill for an Act Relating to Escrow Depositories.

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

**SECTION 1.** Section 449-5, Hawaii Revised Statutes is amended by adding to the first paragraph and adding a second paragraph to read as follows:

"No person subject to the provisions of this chapter not licensed or exempted under this chapter shall transact any business under any name, title or descriptive term which contains the words 'escrow,' 'escrow depository' or any other word or phrase having the same or similar meaning."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved May 23, 1969.)

**ACT 40**

S. B. NO. 79

A Bill for an Act Relating to the Hawaii Public Employees Health Fund.

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

**SECTION 1.** The second sentence of the second paragraph of Section 5A-5, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read:

"If, however, an employee-beneficiary's contribution to the fund is not withheld and transmitted to the fund, the employee-beneficiary shall pay his monthly contribution (i) directly to the fund by the tenth day of each month, in the case of an employee-beneficiary who normally receives his compensation from the comptroller of the State, or (ii) in the case of all other employee-beneficiaries, to the respective county auditor or finance officer from whom he normally receives his compensation for transmittal to the fund by the tenth day of each month."

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

\* Edited accordingly

## **ACT 41**

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect on July 1, 1969.

(Approved May 28, 1969.)

## **ACT 41**

S. B. NO. 852

A Bill for an Act Relating to the Department of Personnel Services.

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

**SECTION 1.** Section 26-5, Hawaii Revised Statutes, is amended by deleting the second paragraph.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved May 28, 1969.)

## **ACT 42**

S. B. NO. 890

A Bill for an Act Relating to the Director of Social Services.

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

**SECTION 1.** The second paragraph of section 26-14, Hawaii Revised Statutes, relating to the qualifications of the director of social services, is hereby repealed.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved May 28, 1969.)

## **ACT 43**

H. B. NO. 376

A Bill for an Act Eliminating the Requirement of a Deposit of Legal Tender, or Other Security to Accompany Bids Submitted by Vendors for Printing, Binding or Publication Services Performed for the University of Hawaii.

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

**SECTION 1.** Section 103-52 of the Hawaii Revised Statutes is amended to read as follows:

“Sections 103-28, 103-30, 103-31, 103-34 to 103-38 shall not be applicable to contracts of the University of Hawaii for any printing, binding or publishing

**ACT 46**

of publications."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 3, 1969.)

**ACT 44**

H. B. NO. 457

A Bill for an Act Relating to the Interlocutory Decree of Divorce and Amending Hawaii Revised Statutes Section 580-45.

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

SECTION 1. The fourth paragraph of Section 580-45 of the Hawaii Revised Statutes is hereby amended by amending the phrase "for more than one year" to read "for six months or more".

SECTION 2. The first clause of the third sentence of the third paragraph of Section 580-45 is hereby amended to read as follows:

"If the interlocutory decree has remained in force for six months or more and the parties have not reconciled,".

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

(Approved June 3, 1969.)

**ACT 45**

H. B. NO. 198

A Bill for an Act Relating to Marriage and Amending Section 572-2 of the Hawaii Revised Statutes.

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

SECTION 1. Section 572-2 of the Hawaii Revised Statutes is hereby amended to read as follows:

**“ §572-2. Consent of parent or guardian.** Whenever any male who is under the age of twenty or any female who is under the age of eighteen is to be married, the written consent of his or her parents, or guardian or other person in whose care and custody he or she may be, shall accompany the application for a license to marry. No license shall be issued to any minor who is under the jurisdiction of the family court without the written consent of a judge of such court.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 6, 1969.)

**ACT 46**

H. B. NO. 244

A Bill for an Act Relating to the General Excise Tax Law, Amending Chapter 117, Revised Laws of Hawaii 1955, as Amended.

## **ACT 47**

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

SECTION 1. Section 117-1 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to include the following definition to be inserted in its appropriate alphabetical order:

“‘Casual sale’ means an occasional or isolated sale or transaction involving:

(a) Tangible personal property by a person who is not required to be licensed under this Chapter, or

(b) Tangible personal property which is not ordinarily sold in the business of a person who is regularly engaged in business.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 6, 1969.)

## **ACT 47**

H. B. NO. 574

A Bill for an Act Relating to the Interstate Agreement on Qualifications of Educational Personnel, Making the State of Hawaii a Party Thereto and Authorizing Officers of the State to Enter into Contracts on Its Behalf with Other States.

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

SECTION 1. The Interstate Agreement on Qualifications of Educational Personnel as contained herein is hereby enacted into law and entered into on behalf of the State of Hawaii with any and all other States (as defined in the Agreement) legally enacting the Agreement in the form substantially as follows:

## **INTERSTATE AGREEMENT ON QUALIFICATION OF EDUCATIONAL PERSONNEL**

### **Article I**

#### **Purpose, Findings, and Policy**

1. The States party to this Agreement, desiring by common action to improve their respective school systems by utilizing the teacher or other professional educational person wherever educated, declare that it is the policy of

each of them, on the basis of cooperation with one another, to take advantage of the preparation and experience of such persons wherever gained, thereby serving the best interests of society, of education, and of the teaching profession. It is the purpose of this Agreement to provide for the development and execution of such programs of cooperation as will facilitate the movement of teachers and other professional educational personnel among the States party to it, and to authorize specific interstate educational personnel contracts to achieve that end.

2. The party States find that included in the large movement of population among all sections of the nation are many qualified educational personnel who move for family and other personal reasons but who are hindered in using their professional skill and experience in their new locations. Variations from State to State in requirements for qualifying educational personnel discourage such personnel from taking the steps necessary to qualify in other States. As a consequence, a significant number of professionally prepared and experienced educators is lost to our school systems. Facilitating the employment of qualified educational personnel, without reference to their States of origin, can increase the available educational resources. Participation in this Compact can increase the availability of educational manpower.

## **Article II**

### **Definitions**

As used in this Agreement and contracts made pursuant to it, unless the context clearly requires otherwise:

1. "Educational personnel" means persons who must meet requirements pursuant to State law as a condition of employment in educational programs.

2. "Designated State official" means the education official of a State selected by that State to negotiate and enter into, on behalf of his State, contracts pursuant to this Agreement.

3. "Accept", or any variant thereof, means to recognize and give effect to one or more determinations of another State relating to the qualifications of educational personnel in lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving State.

4. "State" means a State, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.

5. "Originating State" means a State (and the subdivision thereof, if any) whose determination that certain educational personnel are qualified to be employed for specific duties in schools is acceptable in accordance with the terms of a contract made pursuant to Article III.

6. "Receiving State" means a State (and the subdivisions thereof) which accept educational personnel in accordance with the terms of a contract made pursuant to Article III.

## **Article III**

### **Interstate Educational Personnel Contracts**

1. The designated State official of a party State may make one or more contracts on behalf of his State with one or more other party States providing

## **ACT 47**

for the acceptance of educational personnel. Any such contract for the period of its duration shall be applicable to and binding on the States whose designated state officials enter into it, and the subdivisions of those States, with the same force and effect as if incorporated in this Agreement. A designated state official may enter into a contract pursuant to this Article only with States in which he finds that there are programs of education, certification standards or other acceptable qualifications that assure preparation or qualification of educational personnel on a basis sufficiently comparable, even though not identical, to that prevailing in his own State.

2. Any such contract shall provide for:

(a) Its duration.

(b) The criteria to be applied by an originating State in qualifying educational personnel for acceptance by a receiving State.

(c) Such waivers, substitutions, and conditional acceptances as shall aid the practical effectuation of the contract without sacrifice of basic educational standards.

(d) Any other necessary matters.

3. No contract made pursuant to this Agreement shall be for a term longer than five years but any such contract may be renewed for like or lesser periods.

4. Any contract dealing with acceptance of educational personnel on the basis of their having completed an educational program shall specify the earliest date or dates on which originating state approval of the program or programs involved can have occurred. No contract made pursuant to this Agreement shall require acceptance by a receiving State of any persons qualified because of successful completion of a program prior to January 1, 1954.

5. The certification or other acceptance of a person who has been accepted pursuant to the terms of a contract shall not be revoked or otherwise impaired because the contract has expired or been terminated. However, any certificate or other qualifying document may be revoked or suspended on any ground which would be sufficient for revocation or suspension of a certificate or other qualifying document initially granted or approved in the receiving State.

6. A contract committee composed of the designated state officials of the contracting States or their representatives shall keep the contract under continuous review, study means of improving its administration, and report no less frequently than once a year to the heads of the appropriate education agencies of the contracting States.

## **Article IV**

### **Approved and Accepted Programs**

1. Nothing in this Agreement shall be construed to repeal or otherwise modify any law or regulation of a party State relating to the approval of programs of educational preparation having effect solely on the qualification of

educational personnel within that State.

2. To the extent that contracts made pursuant to this Agreement deal with the educational requirements for the proper qualification of educational personnel, acceptance of a program of educational preparation shall be in accordance with such procedures and requirements as may be provided in the applicable contract.

### **Article V**

#### **Interstate Cooperation**

The party States agree that:

1. They will, so far as practicable, prefer the making of multi-lateral contracts pursuant to Article III of this Agreement.

2. They will facilitate and strengthen cooperation in interstate certification and other elements of educational personnel qualification and for this purpose shall cooperate with agencies, organizations, and associations interested in certification and other elements of educational personnel qualification.

### **Article VI**

#### **Agreement Evaluation**

The designated state officials of any party State may meet from time to time as a group to evaluate progress under the Agreement, and to formulate recommendations for changes.

### **Article VII**

#### **Other Arrangements**

Nothing in this Agreement shall be construed to prevent or inhibit other arrangements or practices of any party State or States to facilitate the interchange of educational personnel.

### **Article VIII**

#### **Effect and Withdrawal**

1. This Agreement shall become effective when enacted into law by two States. Thereafter it shall become effective as to any State upon its enactment of this Agreement.

2. Any party State may withdraw from this Agreement by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing State has given notice in writing of the withdrawal to the Governors of all other party States.

3. No withdrawal shall relieve the withdrawing State of any obligation imposed upon it by a contract to which it is a party. The duration of contracts and the methods and conditions of withdrawal therefrom shall be those specified in their terms.

## **ACT 48**

### **Article IX Construction and Severability**

This Agreement shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Agreement shall be severable and if any phrase, clause, sentence, or provision of this Agreement is declared to be contrary to the constitution of any State or of the United States, or the application thereof to any Government, agency, person, or circumstance is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any Government, agency, person, or circumstance shall not be affected thereby. If this Agreement shall be held contrary to the constitution of any State participating therein, the Agreement shall remain in full force and effect as to the State affected as to all severable matters.

**SECTION 2.** The "designated State Official" for Hawaii shall be the superintendent of education of the State.

**SECTION 3.** True copies of all contracts made on behalf of the State pursuant to the Agreement shall be kept on file in the office of the department of education and in the office of the lieutenant governor.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 6, 1969.)

## **ACT 48**

H. B. NO. 830

A Bill for an Act Relating to the Board of Chiropractic Examiners.

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

**SECTION 1.** Section 442-4, Hawaii Revised Statutes, is amended by amending the first sentence of the second paragraph to read as follows:

"The affirmative vote of a majority of the board is required to carry any motion or resolution, to adopt any rule, or to issue any license provided for in this chapter."

**SECTION 2.** Section 442-5, Hawaii Revised Statutes, is amended to read as follows:

"Board's powers. The board of chiropractic examiners may adopt a seal, which shall be affixed to all official acts of the board; adopt from time to time such rules and regulations as the board may deem proper and necessary for the performance of its work; examine applicants and issue licenses and order the revocation or suspension of licenses to practice chiropractic; summon witnesses and take testimony as to matters pertaining to its duties. Each member may administer oaths and take affidavits, and do any and all things necessary or incidental to the exercise of the powers and duties herein granted or imposed."

**SECTION 3.** Section 442-8, Hawaii Revised Statutes, is amended to read as follows:

"License form, authority under. One form of license shall be issued which shall be designated "License to Practice Chiropractic" and which shall authorize the holder thereof to practice chiropractic as defined in Section 442-1 and also to use all necessary mechanical, hygienic, and sanitary measures incident to the care of the body, but shall not authorize the administration of drugs or medicine now or hereafter included in *materia medica*, or the performance of any surgical operation or the practice of osteopathy, dentistry, or optometry."

SECTION 4. Section 442-9, Hawaii Revised Statutes, is amended in the following respects:

A. Subsection (a) down to the colon is amended to read as follows:

"(a) The board of chiropractic examiners shall refuse to issue or may order any license issued under this chapter to be revoked or suspended at any time in a proceeding before the board upon any one or more of the following grounds."

B. Subsection (b) is hereby repealed.

C. Subsection (c) is redesignated "(b)" and amended to read as follows:

"(b) At any time following the suspension or revocation of a license, the board may restore such license with all of its original rights and privileges. Any person to whom such rights have been restored shall pay to the secretary the sum of \$25 upon the issuance of a new license."

SECTION 5. Section 442-10, Hawaii Revised Statutes, is amended to read as follows:

"Proceedings for revocation or suspension of license. In any proceeding for the revocation or suspension of a license under this chapter for any act or condition listed in Section 442-9, the person whose license is sought to be revoked or suspended shall be given notice and opportunity for hearing in conformity with chapter 91.

"In any such proceeding, the board may subpoena, administer oaths to, and examine witnesses on any relevant matter in such proceeding. The person whose license is sought in such proceeding to be revoked or suspended shall be entitled to require the board or any member thereof to subpoena and to administer oaths to any witness or witnesses who may be able to present evidence relevant in such proceeding, and shall be entitled to examine any such witness and any other witness in such proceeding. The circuit court of the circuit in which the proceeding is held shall have power to enforce by proper proceeding the attendance and testimony of witnesses in such proceeding.

"If any person called before the board as a witness in such proceeding, whether under subpoena or otherwise, except as privileged by law, refuses to answer any question which is relevant to the proceeding and is put to him by the board, a member thereof or the person whose license is sought to be revoked or suspended in such proceeding, or disobeys any order of the circuit court relating to the proceeding, the board shall report the matter in writing to any judge of the circuit court of the circuit in which such proceeding is held and such person shall be cited to appear before the circuit judge to show cause why he should not be punished for contempt of court under chapter 729.

## **ACT 49**

“Any person who wilfully and knowingly makes under oath any false statement in connection with any such proceeding before the board shall be guilty of perjury and shall be subject to the penalty prescribed by law for perjury. Whenever the board is satisfied that a witness has committed perjury in any proceeding before the board, it shall report the same to the prosecuting officer of the county in which the perjury took place, who shall prosecute the witness for perjury.”

**SECTION 6.** Section 442-16, Hawaii Revised Statutes, is amended to read as follows:

“Board records. The board shall keep for public inspection, in a book provided for that purpose, a complete list and description of the licenses recorded. When any such license is issued, there shall be stamped upon the face thereof a memorandum of the date of issuance.”

**SECTION 7.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 8.** This Act shall take effect on July 1, 1969.

(Approved June 6, 1969.)

## **ACT 49**

S. B. NO. 49

A Bill for an Act Relating to Farm Loans.

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

**SECTION 1.** Section 155-9, Hawaii Revised Statutes, is amended in the following respects:

(a) Subsection (1) is amended by deleting the figure “\$60,000” and substituting “\$100,000” therefor.

(b) Subsection (3) is amended by deleting the figure “\$30,000” and substituting “\$75,000” therefor.

(c) Subsection (5) is amended by deleting the figure “\$100,000” and substituting “\$250,000” therefor; and deleting the figure “\$50,000” and substituting “\$150,000” therefor.

**SECTION 2.** Section 155-11(f), Hawaii Revised Statutes, is amended by amending the first sentence thereof to read as follows:

“(f) In case of the sale or transfer of the mortgaged land or goods in which the department has a security interest, as that term is defined in section 490:I-201(37), the department may permit the mortgage or encumbrance to be assumed by the purchaser.”

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

(Approved June 6, 1969.)

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\* Edited accordingly

A Bill for an Act Relating to the State Foundation of Culture and the Arts.

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

SECTION 1. Section 5 of Act 269, Session Laws of Hawaii 1965, is amended to read as follows:

“Effective date. This Act shall take effect upon its approval, and shall remain in effect until June 30, 1970.”

SECTION 2. If this Act is not approved on or before June 30, 1969, Act 269, Session Laws of Hawaii 1965, is hereby re-enacted as amended by this Act.

SECTION 3. This Act shall take effect upon its approval or on June 30, 1969, whichever is earlier.

(Approved June 6, 1969.)

A Bill for an Act Relating to the Office of Revisor of Statutes.

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

SECTION 1. Section 2-2 of the Hawaii Revised Statutes is amended to read:

**“Section 2-2. Appointment of personnel; qualifications; salary.** In connection with the operation of the office of revisor of statutes, the supreme court shall select as revisor of statutes a duly qualified person. The revisor shall have direct supervision and control of the office. The revisor, with the approval of the supreme court, may select such assistant revisors as may be required for the proper discharge of the functions of the office. The revisor, with similar approval, shall also select other technical, clerical and stenographic assistants as may be necessary.

The revisor and assistant revisors shall not be subject to chapters 76 and 77.”

SECTION 2. Upon the taking effect of this Act, a position of assistant revisor is established as an authorized position. This position is in addition to the presently established position of assistant revisor and in lieu of the position of law clerk in the office of revisor of statutes.

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

(Approved June 6, 1969.)

A Bill for an Act Relating to the Status of Persons Temporarily Employed as

## **ACT 53**

Replacements for Public Employees in Military Service.

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

SECTION 1. Section 79-24 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 79-24. Status of persons temporarily employed.** Notwithstanding any other law to the contrary, any person who has filled or who may fill a position left vacant as a result of an officer or employee having entered active military service pursuant to section 79-23 shall be removed from the position so as to enable the returning officer or employee to be restored to his position. An employee who has filled or may fill a position affected by a subsequent vacancy shall also be subject to removal. The civil service laws of the State and the counties and the rules and regulations prescribed thereunder shall not be applicable to the removal. Any person appointed in accordance with civil service laws and who is removed from the position by the restoration of the officer or employee returning from military service shall be eligible to have his name placed on the appropriate reemployment list in accordance with the rules and regulations as may be prescribed. The appointing authority shall inform each employee who fills the position the status of his employment and the provisions of this section.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 6, 1969.)

## **ACT 53**

S. B. NO. 1115

A Bill for an Act Relating to Vocational Rehabilitation.

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

SECTION 1. Section 348-1 of the Hawaii Revised Statutes is amended to read as follows:

“Vocational rehabilitation services shall be provided to residents throughout the State. The vocational rehabilitation plan, formulated in conformance with the Federal Vocational Rehabilitation Act, as amended, and adopted pursuant to this chapter, shall be in effect in all political subdivisions of the State.”

SECTION 2. Section 348-3(a) of the Hawaii Revised Statutes is amended to read as follows:

“(a) Except as may be otherwise provided with respect to the blind, the department of social services shall be the State agency to supervise and administer the vocational rehabilitation services authorized by this chapter under the State plan formulated in conformance with the Federal Vocational Rehabilitation Act, as amended, except for that part as may be administered by a local agency of a political subdivision in the State, the department of social services shall be the agency to supervise the local agency in the administration of that part.

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

(Approved June 6, 1969.)

**ACT 54**

**H. B. NO. 23**

A Bill for an Act Relating to Local School Advisory Councils.

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

**SECTION 1.** Purpose. Strong local school advisory councils operating under positive direction are necessary to improve the quality of education in Hawaii. Toward this end, guidelines must be set up for the existing school advisory councils. Under this bill, the legislature establishes guidelines for the operation of the school advisory councils; these guidelines are designed to assist the school advisory councils in carrying out their functions in a meaningful, effective manner.

**SECTION 2.** Chapter 296-7 of the Hawaii Revised Statutes is amended by adding at the end thereof a new paragraph to read as follows:

"Each district school advisory council shall: (1) inform the Board of Education on educational matters of local interest; (2) disseminate information and interpret decisions and policies of the Board of Education to the people of the local school district; (3) act as an advisory body to the district superintendent of each local school district; and upon his request, assist him in disseminating information, interpreting decisions and policies, and in obtaining public reaction; (4) present and explain local public concern in policies and administrative regulations of the Department of Education; (5) work with and among the several other local school advisory councils to insure cooperation on educational matters of mutual interest and concern; and (6) advise the Board of Education in the development of policies as the Board of Education may request from time to time.

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

(Approved June 10, 1969.)

**ACT 55**

**H. B. NO. 306**

A Bill for an Act Relating to Public Utilities and Providing for the Regulation of Water Carriers and Deleting Superseded Motor Carrier Provisions in Chapter 269, Hawaii Revised Statutes.

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

**SECTION 1.** Section 269-20 of the Hawaii Revised Statutes is hereby amended to read as follows:

"Certificates of public convenience and necessity for water carriers.

(a) No person which holds itself out to the general public to engage in the transportation by water of passengers or property or any class or classes

## **ACT 56**

thereof for compensation, between points in the State of Hawaii, shall operate unless there is in force with respect to such carrier a certificate of public convenience and necessity issued by the commission authorizing such transportation; provided, that this section shall not apply to any carrier by water to the extent that the carrier is excluded from the definition of a public utility under Section 269-1 (5).

(b) Applications for certificates shall be made in writing under oath to the commission in such form as it requires.

(c) A certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this chapter and the requirements, rules and regulations of the commission thereunder, and that the proposed service, to the extent authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise such application shall be denied. Any certificate issued shall specify the service to be rendered and the routes and ports which the water carrier is to serve and there shall be attached to the exercise of the privileges granted by the certificate, at the time of issuance and from time to time thereafter, such reasonable conditions and limitations as the public convenience and necessity may require. If any such carrier was in bona fide operation on the effective date of this section, the commission shall issue such certificate without requiring further proof that public convenience and necessity will be served by such operation, and without further proceedings, if application for such certificate is made to the commission within ninety days after the effective date of this section; pending the issuance of such certificate, the continuance of such operation shall be lawful.

(d) The commission may at any time suspend, change or revoke such certificate in the manner provided in section 271-19."

**SECTION 2.** Sections 269-21 and 269-22 of the Hawaii Revised Statutes are hereby repealed.

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

(Approved June 10, 1969.)

## **ACT 56**

**H. B. NO. 351**

A Bill for an Act Relating to Contractors.

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

**SECTION 1.** Section 166A-1, Revised Laws of Hawaii 1955, as amended, is amended by adding a new paragraph to read as follows:

"(e) 'RME' means responsible managing employee."

**SECTION 2.** Section 166A-10(d), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"(d) Any individual who is unable to qualify as a contractor or any cor-

poration, unless the contracting business of such individual or corporation is under the direct management of an officer or employee thereof and unless such officer or employee holds an appropriate license;"

SECTION 3. The first sentence of Section 166A-14(b), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"(b) The annual renewal fee or inactive license fee shall be paid to the board on or before April 30 of each year."

SECTION 4. Section 166A-21, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 166A-21. Civil Action.** The failure of any person to comply with any provision of this chapter shall prevent such person from recovering for work done, or materials or supplies furnished, or both on a contract or on the basis of the reasonable value thereof, in a civil action, if such person failed to obtain a license under this chapter prior to contracting for such work."

SECTION 5. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 6. This Act shall take effect upon its approval.

(Approved June 10, 1969.)

A Bill for an Act Relating to Hawaii Motor Carrier Law.

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

SECTION 1. The second sentence of Section 106C-11(c), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"In determining whether issuance of a permit will be consistent with the public interest and the transportation policy, the commission shall consider the number of shippers to be served by the applicant, the nature of the service proposed, whether the proposed service can be or is being properly performed by existing common carriers, the effect which granting the permit would have upon the services of the protesting carriers, the effect which denying the permit would have upon the applicant's proposed shipper or shippers, and the changing character of shipper requirements; provided, however, that a permit shall not be issued in any case where it has been established that an existing common carrier is properly performing the proposed service."

## ACT 58

SECTION 2. Notwithstanding the adoption of Act 16, Session Law of Hawaii, 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 10, 1969.)

## ACT 58

H. B. NO. 916

A Bill for an Act Relating to Gasoline, Fuel, and Motor Oil.

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

SECTION 1. Chapter 451, Hawaii Revised Statutes, is repealed.

SECTION 2. This Act shall take effect upon its approval.

(Approved June 10, 1969.)

## ACT 59

H. B. NO. 1023

A Bill for an Act Amending Section 753-12 of the Hawaii Revised Statutes Relating to Discharge of Weapons.

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

SECTION 1. Section 753-12 of the Hawaii Revised Statutes is hereby amended to read as follows:

**“Section 753-12. Discharge of weapons.** Whoever discharges any firearm or other weapon, including airguns and slingshots, capable of causing death or serious bodily injury, from any street, sidewalk, alley or public land, or on any private parcel of land or building in such manner that the projectile so discharged may reasonably be expected to traverse any ground or space outside the limits of such parcel of land or building or in such manner that persons or property may be endangered, except in the lawful defense of life or property or in the performance of official duty, shall be fined not more than \$500 or imprisoned not more than one year, or both; provided that this section shall not be construed to prohibit the discharge of weapons at target ranges and places of hunting by persons so authorized by Section 134-5.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 10, 1969.)

**ACT 62****ACT 60**

S. B. NO. 34

A Bill for an Act Relating to Tax Credits.

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

SECTION 1. Subsection 235-56(c) of the Hawaii Revised Statutes is amended by amending the schedule appearing therein to read as follows:

<u>"Modified Adjusted Gross Income Brackets</u>	<u>Tax Credits Per Qualified Exemption</u>
\$ 0 - \$ 999	\$21
1,000 - 1,999	20
2,000 - 2,999	18
3,000 - 3,999	17
4,000 - 4,999	13
5,000 - 5,999	9
6,000 - 6,999	5
7,000 - 7,999	3
8,000 - 9,999	1"

SECTION 2. The provisions of this Act, upon its approval, shall be effective for those taxable years beginning on January 1, 1969, and thereafter.

(Approved June 10, 1969.)

**ACT 61**

S. B. NO. 162

A Bill for an Act Amending Section 88-130, Hawaii Revised Statutes, Relating to the Duration of a Member's Status While on Military Leave.

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

SECTION 1. Section 88-130 of the Hawaii Revised Statutes is amended by adding a new sentence to read as follows:

"A service member who voluntarily extends his period of service in the armed forces 90 or more days beyond the expiration date of his initial enlistment or the period for which he was inducted or the period for which he was ordered to active duty shall be deemed to be on the same status as that of a regular member who terminates his employment as an employee, and the termination shall be deemed to have occurred on the ninetieth day following the expiration date of his enlistment or the period for which he was inducted or the period for which he was ordered to active duty."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 10, 1969.)

**ACT 62**

S. B. NO. 321

A Bill for an Act to Amend Chapter 431, Hawaii Revised Statutes Relating to

## ACT 63

Life Insurance.

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

SECTION 1. Chapter 431, Hawaii Revised Statutes is amended by adding a new section to read as follows:

**"Sec. 431-562. Life Franchise Plan.** Insurance may be issued pursuant to the provisions of section 431-531 to 431-561 on a franchise plan under the terms of which life insurance and annuities, other than group life insurance, group annuities and industrial life insurance, is issued to:

(a) Two or more employees of any corporation, co-partnership, or individual employer or any governmental corporation, agency or department thereof; or

(b) Ten or more members, employees, or employees of members of any trade or professional association or of a labor union or of any other association having had an active existence for at least two years where such association or union has a constitution or by-laws and is formed in good faith for purposes other than that of obtaining insurance. Such persons, with or without their dependents, may be issued the same form of an individual policy varying only as to premium, amounts, and kinds of coverage applied for by such persons under an arrangement whereby the premiums on such policies may be paid to the insurer periodically by the employer, with or without payroll deductions, or by the association for its members, or by some designated person acting on behalf of such employer or association. The term employees as used herein shall be deemed to include the officers, managers and employees of the employer and the individual proprietor or partners if the employer is an individual proprietor or partnership. No individual may become insured for more than \$20,000 under this plan."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 10, 1969.)

ACT 63

H. B. NO. 128

A Bill for an Act Relating to the New General Hospital at Kau, Hawaii.

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

SECTION 1. Kau general hospital to be a state hospital. All matters pertaining to the planning, construction, improvement, operation, and maintenance of the new Kau general hospital are declared to be state responsibilities. The hospital shall be administered in the same manner as the public hospitals and other related public health and medical facilities in the several counties.

SECTION 2. Transfer. On a date to be designated by the governor, as soon as practicable after the new Kau general hospital is ready for occupancy, all full-time employees of the Pahala hospital on that date, who desire to be employees of the new Kau general hospital shall be transferred thereto and shall acquire and be given civil service status as follows:

## **ACT 65**

(a) Employees who had been employed by the Pahala hospital at least one full year immediately preceding the date of transfer shall be given status as regular employees of the civil service without competitive examination, and

(b) Employees who had been employed less than one full year shall be given an initial probationary appointment without competitive examination.

**SECTION 3.** Civil service; compensation. Positions held by transferred employees shall be allocated by the director of personnel services to the appropriate class in the position classification plan and the employees shall be paid in accordance with the salary range to which the class is assigned; provided that employees receiving a salary above the minimum rate at the time of their transfer may be paid at a rate higher than the minimum but not exceeding the highest pay rate in the appropriate salary range.

**SECTION 4.** Citizenship; residency. The requirements as to citizenship and residency in section 78-1, Hawaii Revised Statutes, shall not apply to employees transferred by this Act.

**SECTION 5.** Effective date. This Act shall take effect upon its approval.

(Approved June 16, 1969.)

## **ACT 64**

S. B. NO. 31

A Bill for an Act Relating to Contractors, Chapter 444, Hawaii Revised Statutes.

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

**SECTION 1.** Section 444-17(3) of the Hawaii Revised Statutes is deleted in its entirety and the following inserted in lieu thereof:

“(3) Engaging in any unfair or deceptive act or practice as prohibited by section 480-2;”

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 18, 1969.)

## **ACT 65**

S. B. NO. 134

A Bill for an Act Relating to the Transfer of Funds from One Department to Another for the Purpose of Obtaining Federal Matching Grants.

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

**SECTION 1.** Section 29-14 of the Hawaii Revised Statutes is hereby amended by adding a new paragraph to read as follows:

“The governor may transfer funds from the department of health to the department of social services and from the department of social services to the department of labor to obtain additional federal funds for medical assistance under Title XIX of the Social Security Act, as amended, and the work incentive program. The governor may also transfer funds from one department to an-

## ACT 66

other for the purpose of obtaining federal matching grants and allotments; provided that the State moneys have been appropriated for the purpose for which federal grants and allotments may be obtained."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 18, 1969.)

ACT 66

S. B. NO. 140

A Bill for an Act Relating to Tax Exempt Annuity and Trust Contributions for the Self-employed, Amending Chapter 235, Hawaii Revised Statutes.

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

SECTION 1. It is the intent of this Act to incorporate by reference section 405 of the Internal Revenue Code of 1954, as amended by Public Law 87-792, into chapter 235 of the Hawaii Revised Statutes, relating to the Income Tax Law.

SECTION 2. Section 235-2 of the Hawaii Revised Statutes is hereby amended by adding, under and at the end of column 2, the following:

"Public Law 87-792, section 5."

SECTION 3. This Act shall take effect upon its approval and shall apply to the taxable years beginning on or after January 1, 1968.

(Approved June 18, 1969.)

ACT 67

S. B. NO. 1103

A Bill for an Act Relating to Escrow Depositories.

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

SECTION 1. Section 449-13, Hawaii Revised Statutes be amended to read as follows:

**"Section 449-13. Cancellation of bonds or insurance.** None of the bonds or insurance required by sections 449-9, 449-11, and 449-12 shall be cancelled as to future accruing liability except upon prior written notice to the bank examiner: sixty days' notice for the bonds, and thirty days' notice for the insurance. The license of any licensee shall be suspended upon cancellation of any bond or insurance."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 18, 1969.)

ACT 68

S. B. NO. 1105

A Bill for an Act Relating to Fees for Branch Banks.

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

SECTION 1. Section 403-55, Hawaii Revised Statutes, is amended by adding immediately after item 5, a new paragraph to read as follows:

“Every such petition shall be accompanied by a fee of \$150, which shall be deposited to the credit of the general fund of the State.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 18, 1969.)

ACT 69

H. B. NO. 280

A Bill for an Act Relating to Emigrant Agents and Repealing Chapter 98, Revised Laws of Hawaii 1955.

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

SECTION 1. Chapter 98, Revised Laws of Hawaii 1955 is repealed.

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 18, 1969.)

ACT 70

H. B. NO. 284

A Bill for an Act Relating to Industrial Safety and Amending Chapter 96, Revised Laws of Hawaii 1955.

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

SECTION 1. Chapter 96, Revised Laws of Hawaii 1955 is amended by adding thereto the following section:

“Section . . . No record or determination of any administrative proceedings under this chapter or any statement or report of any kind obtained or received in connection with the administration or enforcement of this chapter shall be admitted or used as evidence in any civil action growing out of any matter mentioned in the record, determination, statement or report other than an action for enforcement or review under this chapter.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the

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taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 18, 1969.)

**ACT 71**

**H. B. NO. 305**

A Bill for an Act Relating to Annual Corporation Exhibits.

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

**SECTION 1.** Section 172-115, Revised Laws of Hawaii 1955, is amended in the following respects:

(a) The first paragraph is amended by deleting the last sentence thereof.

(b) The third paragraph is amended to read as follows:

“Penalty. Any corporation violating or neglecting or failing in any particular to conform to or comply with any of the provisions of this section shall be subject to a forfeiture of an amount to be determined by the director not exceeding \$100 for every such violation, neglect or failure, to be recovered by action brought in the name of the State by the director. A continuance of a failure to file the required exhibit shall be a separate offense for each thirty days of the continuance. The director may, for good cause shown, waive the penalty imposed by this section.”

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect on December 31, 1969.

(Approved June 18, 1969.)

\* Edited accordingly

**ACT 72**

H. B. NO. 320

A Bill for an Act Relating to Advertising and Marketing of Fruits, Vegetables and Coffee.

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

SECTION 1. Section 22C-1(c), Revised Laws of Hawaii 1955, is hereby amended to read as follows:

“(c) ‘Fresh fruits, fresh vegetables, and coffee’ means any fresh fruit, fresh vegetable and coffee whether imported or produced in the State.”

SECTION 2. Statutory material to be repealed is bracketed. In printing this act, the revisor of statutes need not include the brackets or the bracketed material.\*

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 18, 1969.)

**ACT 73**

H. B. NO. 575

A Bill for an Act Relating to Employment Security and Amending Chapter 93, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93-7(a), Revised Laws of Hawaii 1955 is amended to read:

“(a) Agricultural labor as defined in section 93-9 if is performed by an individual who is employed by an employing unit which had, in each of the current and the preceding calendar years, (1) no more than nineteen calendar weeks, whether consecutive or not, in which agricultural labor was performed by its employees, or (2) no more than nineteen individuals in its employ performing agricultural labor in any one calendar week, whether or not the same individuals performed the labor in each week;”

SECTION 2. Section 93-7(d) (2) (B) is amended to read:

“(B) the service performed in connection with a vessel of ten net tons or less (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States) by an individual who

\* Edited accordingly

## ACT 74

is employed by an employing unit which had in its employ one or more individuals performing the service for some portion in each of twenty calendar weeks all occurring, whether consecutive or not, in either the current or the preceding calendar year, and"

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 18, 1969.)

## ACT 74

S. B. NO. 67

A Bill for an Act Amending Section 88-51, Hawaii Revised Statutes, Relating to Membership Service.

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

SECTION 1. Section 88-51, Hawaii Revised Statutes, is hereby amended in the following respects:

- a. By deleting sub-paragraph (4); and
- b. By re-numbering sub-paragraphs (5), (6), (7) and (8) to (4), (5), (6), and (7), respectively.

SECTION 2. All acts passed during this regular session of 1969, whether enacted before or after passage of this Act shall be amended to conform to this Act, unless such acts specifically provide that this Act is being amended.

SECTION 3. This Act shall take effect on July 1, 1969.

(Approved June 18, 1969.)

## ACT 75

S. B. NO. 81

A Bill for an Act Relating to Audit and Budget.

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

SECTION 1. Section 34-47, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read:

**"§34-47. Non-presentment of warrants.** Any warrant drawn upon the State treasury shall be presented at the treasury for payment before the close of the fiscal year next after the fiscal period in which it has been issued.

All warrants not so presented within such time shall be deemed to have been paid, and any moneys held at the expiration of such time in a special fund or account for the payment of such warrants shall thereupon be transferred to the general fund; provided, that within the period of ten fiscal years immediately following the year in which an amount of money was so transferred to the general fund, the payee of such warrant, or the payee's legal representative, upon filing with the comptroller a claim for recovery and any supportive evidence required by the comptroller, shall be paid the amount of such warrant out of any available moneys in the general fund not otherwise appropriated upon a warrant newly drawn by the comptroller."

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect July 1, 1969.

(Approved June 23, 1969.)

**ACT 76**

**H. B. NO. 151**

A Bill for an Act Relating to Certain Motor Vehicle Operators' Licenses, Not Reissued, of Persons in the Armed Forces.

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

**SECTION 1.** Notwithstanding sections 17 and 18 of Act 214, Session Laws of Hawaii 1967, and any rules and regulations promulgated thereunder by the state highway safety coordinator, any motor vehicle operator's license which was issued in this State, and not reissued as provided in Act 214, Session Laws of Hawaii 1967, and which is held by any person who is in the United States armed forces shall continue in full force and effect so long as his service in the United States armed forces continues and he remains absent from this State and for a period not to exceed thirty days following the date on which the person is honorably separated from the United States armed forces or returns to this State, unless the license is earlier suspended or revoked for cause. Such license shall be valid only when in the immediate possession of the licensee while driving and when the licensee has his discharge or separation papers, if he has been discharged or separated from the United States armed forces, in his immediate possession.

\* Edited accordingly

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SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 23, 1969.)

## ACT 77

S. B. NO. 316

A Bill for an Act Relating to Residence Requirements for Officers and Employees of Public Utilities.

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

SECTION 1. Section 270-1 of the Hawaii Revised Statutes is amended by amending the first sentence to read as follows:

**“Section 270-1. Residence requirements.** All officers and employees in the service of any public utility shall be residents of the State for at least one year immediately preceding their appointment or election as the case may be; provided, that in cases where it is not reasonably practicable to obtain persons with the foregoing qualification competent for such service, persons without the qualification may be employed until persons with such qualification competent for the service can be obtained.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## ACT 78

S. B. NO. 1055

A Bill for an Act Relating to Employees of a County Legislative Body.

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

SECTION 1. Chapter 46 of the Hawaii Revised Statutes is amended by adding a new section to be appropriately numbered and to read as follows:

“In any county with a population of 100,000 or more, the legislative body thereof may appoint and fix the salaries of not more than six additional employees who shall be exempt from civil service and the position classification plan.

No loss of vacation allowance, service credits or other rights and privileges on the part of any officer or employee of the legislative body currently in the civil service shall be caused by the adoption of this Act, but nothing con-

tained herein shall be construed to prevent future changes in status."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 79**

H. B. NO. 7

A Bill for an Act Relating to Legislative Reapportionment.

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

**SECTION 1.** Reapportionment commission. A legislative reapportionment commission shall be constituted after the third Wednesday of January but before March 1 of each reapportionment year, and the members shall be appointed and certified to hold their offices for such term in the manner prescribed in section 4, Article III, of the Constitution.

**SECTION 2.** Duties. The commission shall reapportion the members of each house among the basic island units and among the districts therein, redistricting where necessary, on the basis, method and criteria prescribed in section 4, Article III, of the Constitution. Pursuant thereto, the commission shall conduct public hearings and consult with the apportionment advisory council of each basic island unit. Not more than sixty days from the date on which all members are certified, the commission shall cause to be published in a newspaper of general circulation in each basic island unit a reapportionment plan prepared and proposed by the commission. At least one public hearing on the proposed reapportionment plan so published shall be held in each basic island unit within forty days after the initial publication. At least twenty days' notice shall be given of such public hearing. The notice shall include a statement of the substance of the proposed reapportionment plan, and of the date, time and place where interested persons may be heard thereon. The notice shall be published at least once in a newspaper of general circulation in the basic island unit where the hearing will be held. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, for consideration by the commission. Within twenty days after the last of such public hearings, but in no event later than one hundred and twenty days from the date on which all members of the commission are certified, the commission shall determine whether or not the plan is in need of correction or modification, make the correction or modification, if any, and file with the chief election officer the final reapportionment plan. Within ten days after filing of the final reapportionment plan with the chief election officer, he shall cause to be published in a newspaper of general circulation in the State the final reapportionment plan which shall, upon publication, become effective as of the date of filing and govern the election of members of the next four succeeding legislatures.

**SECTION 3.** Powers. The commission may require all such persons as it deems necessary to appear personally and testify before it and to produce to it all books, records, files, papers, maps and documents as shall appear to be necessary for the purpose of formulating a reapportionment plan. The chairman

## **ACT 79**

of the commission or any member thereof acting on behalf of the chairman shall have power to administer oaths to persons summoned to appear before the commission and such persons may be questioned, under oath, concerning all matters necessary for the due execution of the duties vested in the commission by the Constitution and by this Act. All hearings and proceedings shall be governed by this Act and by rules of practice and procedure established by the commission. A majority of its membership shall constitute a quorum to do business, and the concurrence of a majority of its membership shall be necessary to make any action of the commission valid. Meetings shall be called and held at the call of the chairman or by a quorum.

**SECTION 4.** Penalty for violation and false evidence. Any person who, having been summoned under section 3 to give testimony or to produce any books, records, files, papers, maps and documents, wilfully makes default, or who, having appeared, refuses to answer any questions or wilfully gives false evidence shall be fined not more than \$1,000, or imprisoned not more than twelve months, or both.

**SECTION 5.** Compensation. Each of the members of the reapportionment commission selected and certified shall, for the period he holds his office, receive compensation of \$50 per meeting but not to exceed \$1,000 per month and shall be allowed actual and necessary expenses incurred in the performance of his duties. Payments for compensation and expenses shall be paid by warrants signed by the chairman of the commission. The members of the commission shall be exempt from the provisions of chapters 76 and 77 of the Hawaii Revised Statutes.

**SECTION 6.** Cooperation. The commission may request and shall receive from every department, division, board, bureau, commission or other agency of the State cooperation and assistance in the performance of its duties.

**SECTION 7.** Apportionment advisory councils. The apportionment advisory councils for the respective basic island units shall be constituted at the same time as the reapportionment commission and the members selected to hold their offices for such terms in the manner prescribed in section 4, Article III, of the Constitution. Each advisory council shall serve in an advisory capacity to the reapportionment commission as to matters affecting its basic island unit. Each member shall be a registered voter of his basic island unit. A member of a council shall, for the period he holds his office, receive compensation of \$50 per meeting but not to exceed \$500 per month and shall be allowed actual and necessary expenses incurred in the performance of his duties. Payments for expenses shall be made by warrants signed by the chairman of the appropriate advisory council. The members of the council shall be exempt from the provisions of chapters 76 and 77 of the Hawaii Revised Statutes. Each council shall elect its own chairman and may elect other officers that may be necessary to carry out its functions. Meetings shall be called and held at the call of the chairman or by a quorum which shall be a majority of the members.

**SECTION 8.** The commission and each council shall keep a written record of its meetings and hearings and shall submit a written report to the Legis-

lature next convening.

SECTION 9. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 80**

H. B. NO. 58

A Bill for an Act Relating to Tort Actions.

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

SECTION 1. Chapter 663, Hawaii Revised Statutes, is amended by adding to it a new section to be designated and to read as follows:

**"Sec. 663-1.5. Exception to liability.** Any person who in good faith renders emergency care, without remuneration or expectation of remuneration, at the scene of an accident or emergency to a victim of the accident or emergency shall not be liable for any civil damages resulting from his acts or omissions, except for such damages as may result from his gross negligence or wanton acts or omissions."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

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

(Approved June 23, 1969.)

**ACT 81**

H. B. NO. 59

A Bill for an Act Relating to the Uniform Anatomical Gift Act, to Authorize the Gift of All or Part of a Human Body After Death for Specified Purposes.

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

SECTION 1. Chapter 50F, Revised Laws of Hawaii 1955, is amended to read as follows:

**"CHAPTER 50F**  
**UNIFORM ANATOMICAL GIFT ACT**

**Sec. 50F-1. Definitions.** (1) "Bank or storage facility" means a facility licensed, accredited, or approved under the laws of any state for storage of human bodies or parts thereof.

(2) "Decedent" means a deceased individual and includes a stillborn infant or fetus.

(3) "Donor" means an individual who makes a gift of all or part of his body.

(4) "Hospital" means a hospital licensed, accredited, or approved under

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the laws of any state; includes a hospital operated by the United States government, a state, or a subdivision thereof, although not required to be licensed under state laws.

(5) "Part" means organs, tissues, eyes, bones, arteries, blood, other fluids, and any other portions of a human body.

(6) "Person" has the meaning prescribed in section 1-24.

(7) "Physician" or "surgeon" means a physician or surgeon licensed or authorized to practice under the laws of any state.

(8) "State" includes any state, district, commonwealth, territory, insular possession, and any other area subject to the legislative authority of the United States of America.

**Sec. 50F-2. Persons who may execute an anatomical gift.** (a) Any individual of sound mind and eighteen years of age or more may give all or any part of his body for any purpose specified in section 50F-3, the gift to take effect upon death.

(b) Any of the following persons, in order of priority stated, when persons in prior classes are not available at the time of death, and in the absence of actual notice of contrary indications by the decedent or actual notice of opposition by a member of the same or a prior class, may give all or any part of the decedent's body for any purpose specified in section 50F-3:

(1) the spouse,

(2) an adult son or daughter,

(3) either parent,

(4) an adult brother or sister,

(5) a guardian of the person of the decedent at the time of his death,

(6) any other person authorized or under obligation to dispose of the body.

(c) If the donee has actual notice of contrary indications by the decedent or that a gift by a member of a class is opposed by a member of the same or a prior class, the donee shall not accept the gift. The persons authorized by subsection (b) may make the gift after or immediately before death.

(d) A gift of all or part of a body authorizes any examination necessary to assure medical acceptability of the gift for the purposes intended.

(e) The rights of the donee created by the gift are paramount to the rights of others except as provided by subsection 50F-7(d).

**Sec. 50F-3. Persons who may become donees; purposes for which anatomical gifts may be made.** The following persons may become donees of gifts of bodies or parts thereof for the purposes stated:

(1) Any hospital, surgeon, or physician, for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; or

(2) Any accredited medical or dental school, college, or university for education, research, advancement of medical or dental science, or therapy; or

(3) Any bank or storage facility, for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; or

(4) Any specified individual for therapy or transplantation needed by him.

**Sec. 50F-4. Manner of executing anatomical gifts.** (a) A gift of all or part of the body under subsection 50F-2(a) may be made by will. The gift becomes effective upon the death of the testator without waiting for probate. If the will is not probated, or if it is declared invalid for testamentary purposes, the gift, to the extent that it has been acted upon in good faith, is nevertheless valid and effective.

(b) A gift of all or part of the body under subsection 50F-2(a) may also be made by document other than a will. The gift becomes effective upon the death of the donor. The document, which may be a card designed to be carried on the person, must be signed by the donor in the presence of two witnesses who must sign the document in his presence. If the donor cannot sign, the document may be signed for him at his direction and in his presence in the presence of two witnesses who must sign the document in his presence. Delivery of the document of gift during the donor's lifetime is not necessary to make the gift valid.

(c) The gift may be made to a specified donee or without specifying a donee. If the latter, the gift may be accepted by the attending physician as donee upon or following death. If the gift is made to a specified donee who is not available at the time and place of death, the attending physician upon or following death, in the absence of any expressed indication that the donor desired otherwise, may accept the gift as donee. The physician who becomes a donee under this subsection shall not participate in the procedures for removing or transplanting a part.

(d) Notwithstanding subsection 50F-7(b), the donor may designate in his will, card, or other document of gift the surgeon or physician to carry out the appropriate procedures. In the absence of a designation or if the designee is not available, the donee or other person authorized to accept the gift may employ or authorize any surgeon or physician for the purpose.

(e) Any gift by a person designated in subsection 50F-2(b) shall be made by a document signed by him or made by his telegraphic, recorded telephonic, or other recorded message.

**Sec. 50F-5. Delivery of document of gift.** If the gift is made by the donor to a specified donee, the will, card, or other document, or an executed copy thereof, may be delivered to the donee to expedite the appropriate procedures immediately after death. Delivery is not necessary to the validity of the gift. The will, card, or other document, or an executed copy thereof, may be deposited in any hospital, bank or storage facility or office of the department of health that accepts it for safekeeping or for facilitation of procedures after death. On request of any interested party upon or after the donor's death, the person in possession shall produce the document for examination.

**Sec. 50F-6. Amendment or revocation of the gift.** (a) If the will, card, or other document, or executed copy thereof, has been delivered to a specified donee, the donor may amend or revoke the gift by:

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- (1) The execution and delivery to the donee of a signed statement, or
  - (2) An oral statement made in the presence of two persons and communicated to the donee, or
  - (3) A statement during a terminal illness or injury addressed to an attending physician and communicated to the donee, or
  - (4) A signed card or document found on his person or in his effects.
- (b) Any document of gift which has not been delivered to the donee may be revoked by the donor in the manner set out in subsection (a) or by destruction, cancellation, or mutilation of the document and all executed copies thereof.
- (c) Any gift made by a will may also be amended or revoked in the manner provided for amendment or revocation of wills, or as provided in subsection (a).

**Sec. 50F-7. Rights and duties at death.** (a) The donee may accept or reject the gift. If the donee accepts a gift of the entire body, he may, subject to the terms of the gift, authorize embalming and the use of the body in funeral services. If the gift is of a part of the body, the donee, upon the death of the donor and prior to embalming, shall cause the part to be removed without unnecessary mutilation. After removal of the part, custody of the remainder of the body vests in the surviving spouse, next of kin, or other persons under obligation to dispose of the body.

(b) The time of death shall be determined by a physician who tends the donor at his death, or, if none, the physician who certifies the death. The physician shall not participate in the procedures for removing or transplanting a part.

(c) A person who acts in good faith in accord with the terms of this chapter or with the anatomical gift laws of another state or a foreign country is not liable for damages in any civil action or subject to prosecution in any criminal proceeding for his act.

(d) The provisions of this chapter are subject to the laws of this State prescribing powers and duties with respect to autopsies.

**Sec. 50F-8. Uniformity of interpretation.** This chapter shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

**Sec. 50F-9. Short title.** This chapter may be cited as the Uniform Anatomical Gift Act."

SECTION 2. Chapter 50E, Revised Laws of Hawaii 1955, is repealed.

SECTION 3. Section 322-1, Revised Laws of Hawaii 1955, is amended to read as follows:

"**Sec. 322-1. Age; sound mind; disposal of testator's body.** Every person of the age of twenty years and of sound mind may dispose of his estate both real and personal by will. In addition, every person of the age of eighteen and of sound mind may by will make a gift of the whole or any part of his body as provided in chapter 50F."

SECTION 4. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 82**

H. B. NO. 129

A Bill for an Act Relating to Loud Noises at Night.

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

SECTION 1. Section 267-32\*, Revised Laws of Hawaii 1955, is amended to read as follows:

**“Section 267-23. Disturbing quiet of night; penalty.** Whoever makes or causes to be made after sunset any disturbing or disorderly noise in any inhabited area of the State without justifiable cause shall have created a common nuisance and shall be fined not more than \$100.

For the purposes of this part ‘disturbing noise’ is any noise that causes annoyance to two or more persons residing in separate households in close proximity to the source of the noise, provided, however that, where only a few persons, of many who are equally exposed, are, owing to their peculiarity of temperament or to infirmity, annoyed by the noise, the same is not a common nuisance; ‘disorderly noise’ is any noise which is louder than is reasonably necessary incidental to any business or social activity that is otherwise lawful.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword or renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 23, 1969.)

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\* So in original

**ACT 83**

**ACT 83**

H. B. NO. 181

A Bill for an Act Relating to Defrauding Hotels.

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

SECTION 1. Section 272-1 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**"Section 272-1. Penalty.** Any person who obtains any food or accommodation at a hotel, or inn, without paying therefor, with intent to defraud the proprietor or manager thereof, or who obtains credit at a hotel, or inn, by the use of any false pretense, or who after obtaining credit or accommodation at a hotel, or inn, absconds or surreptitiously removes his baggage therefrom without paying for his food or accommodations, shall be fined not more than \$1,000 or imprisoned not more than one year, or both."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 84**

H. B. NO. 197

A Bill for an Act Relating to Unsolicited Goods, Property, and Merchandise.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new section to be appropriately designated and to read as follows:

**"Sec. . Unsolicited goods, etc., unconditional gift.** (a) No person, firm, partnership, association, or corporation, or agent or employee thereof, shall, in any manner, or by any means, offer for sale goods, property, or merchandise, where the offer includes the voluntary and unsolicited sending of goods, property, or merchandise not actually ordered or requested by the recipient, either orally or in writing. The receipt of any such unsolicited goods, property, or merchandise shall for all purposes be deemed an unconditional gift to the recipient who may use or dispose of the same in any manner he sees fit without any obligation on his part to the sender.

"(b) The voluntary and unsolicited sending of goods, property, or merchandise not actually ordered or requested by the recipient as provided in subsection (a) shall constitute unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce under chapter 480."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

A Bill for an Act Relating to Workmen's Compensation and Amending Chapter 97, Revised Laws of Hawaii 1955.

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

SECTION 1. The first paragraph of section 97-33, Revised Laws of Hawaii 1955 is amended to read:

**"Section 97-33. Payment after death.** Where an employee is entitled to weekly income and indemnity benefits for permanent total or permanent partial disability and dies from any cause other than the compensable work injury, payment of any unpaid balance of the benefits to the extent that the employer is liable therefor shall be made to his dependents as provided herein. If, at the time of the death, the employee is entitled to any permanent partial disability benefits from the special compensation fund, the benefits shall also be paid to his dependents as provided herein."

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 23, 1969.)

A Bill for an Act Relating to Agricultural Unemployment Compensation and Amending Chapter 93A, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93A-54, Revised Laws of Hawaii 1955 is amended as follows:

a. The title is amended to read:

**"Section 93A-54. Accounting for benefits paid; assessment for advances."**

b. The following new subsection is added:

"(c) Every agricultural employer shall deposit with the director an amount of money which shall be used for advancing of benefit payments required by this chapter. The amount shall be reimbursed to the employer upon termination of his exclusion pursuant to section 93-77, provided that he has discharged his liability under this chapter. The amount required to be paid

## ACT 87

shall be determined as follows:

“(1) If an agricultural employer is subject to this chapter on the effective date of this Act, he shall pay a sum equal to .2 per cent of the wages paid by him for agricultural labor during the calendar year 1968. This amount shall be paid within thirty days after the effective date of this Act.

“(2) If an agricultural employer is not subject to this chapter on the effective date of this Act but becomes so subject thereafter, he shall pay a sum equal to .2 per cent of the wages paid by him for agricultural labor during the calendar year immediately preceding the year in which he became subject to this chapter; provided that if the employer was not engaged as an agricultural employer for the full calendar year immediately prior to becoming subject to this chapter, the director shall assess and collect an amount on the basis of estimated wages which the employer would have paid had he been engaged in agricultural employment for the full calendar year. This amount shall be paid within thirty days after being granted the exclusion under section 93-77. ‘Wages’, as used in this paragraph and the foregoing paragraph (1), shall have the same meaning as that given to the term in section 93-60.”

SECTION 2. Section 93A-55, Revised Laws of Hawaii 1955 is amended to read:

“**Section 93A-55. Revolving fund.** There is hereby established in the treasury of the State a special revolving fund, to be known as the agricultural unemployment compensation revolving fund, into which all payments made pursuant to section 93A-54 shall be paid.”

SECTION 3. The sum of \$40,000 which was appropriated from the general revenues of the State and paid into the revolving fund pursuant to section 93A-55, Revised Laws of Hawaii 1955 shall be reimbursed to the general fund of the State.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## ACT 87

H. B. NO. 324

A Bill for an Act Relating to the Office of the Sheriff.

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

SECTION 1. Section 31-1, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

“There shall be within the department of the attorney general a division to be known as the office of sheriff, consisting of the sheriff, a first deputy sheriff and such additional deputies as the exigencies of the public service may require. They shall be subject to the supervision and control of the attorney general.”

SECTION 2. Section 31-6, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

"The salary of the sheriff shall be set by the legislature. The salary of the first deputy sheriff shall be set by the attorney general and shall not be more than eighty-five percent of the salary of the sheriff. The sheriff's deputies, other than the first deputy, shall receive in full payment of their services only such fees as are prescribed by law; provided, that the legally prescribed fees for such service of summons, subpoena, attachment, execution, or other civil process of court as provided by sections 219-4 and 219-8, shall belong to the sheriff, deputy sheriff or other officer making such service."

**SECTION 3.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$8,400.00 or so much thereof as may be necessary for the purposes of this Act.

**SECTION 4.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 88**

H. B. NO. 372

**A Bill for an Act Relating to Changing the Basis for Determining the Multiple Home Exemption and Amending Chapter 128, Revised Laws of Hawaii 1955, as Amended.**

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

**SECTION 1.** Subsection 128-13(d), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"(d) A taxpayer who is sixty years of age or over and who qualifies under subsection 128-13(a) shall be entitled to one of the following multiples of home exemption:

<u>Age of Taxpayer</u>	<u>Multiple to be Used in Computing Home Exemption</u>
60 years of age or over but not 70 years of age or over	2.0
70 years of age or over	2.5

"For the purpose of this subsection, a husband and wife who own property jointly on which a home exemption under the provisions of subsection (a) has been granted shall be entitled to the applicable multiple of home exemp-

## **ACT 89**

tion set forth above when at least one of the spouses qualifies each year for the applicable multiple of home exemption.

“The director of taxation shall prescribe such necessary forms and rules and regulations to effectuate the purpose of this subsection. The claim for the applicable multiple of home exemption under this subsection when once filed and granted shall have continuing effect; provided that the claimant shall notify the director of any change in his eligibility.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act, upon its approval, shall be effective for those tax years beginning on and after July 1, 1970.

(Approved June 23, 1969.)

## **ACT 89**

H. B. NO. 398

A Bill for an Act Relating to Real Property Tax Exemptions for Certain Housing Projects.

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

**SECTION 1.** Act 135, Session Laws of Hawaii 1967, is amended by amending subsection (b) of the new section added therein to read as follows:

“(b) For the purpose of this section “nonprofit corporation or association” means a mortgagor who qualifies for an insured mortgage loan under section 221(d) (3), section 236, or section 202 of the National Housing Act as a nonprofit corporation or association.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act shall take effect retroactive to January 1, 1969.

(Approved June 23, 1969.)

A Bill for an Act Relating to Rental Agencies.

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

SECTION 1. A new chapter is added to the Hawaii Revised Statutes, to be appropriately numbered and to read as follows:

**"CHAPTER  
RENTAL AGENCIES**

**Sec. -1. Definitions.** As used in this chapter:

(1) "Rental agency" means any person who for compensation or other valuable consideration acts or attempts to act as an intermediary between a person seeking to lease, sublease, or assign a housing accommodation and a person seeking to acquire a lease, sublease, or assignment of a housing accommodation.

(2) "Housing accommodation" or "accommodations" include any improved or unimproved real property, or part thereof, which so used or occupied, or is intended, arranged, or designed to be used or occupied, as the home or residence of one or more individuals.

(3) "Department" means the department of regulatory agencies.

(4) "Director" means the director of regulatory agencies.

**Sec. -2. License required.** No rental agency shall engage in business without a license obtained under this chapter and the rules and regulations of the director. The director shall not require, as a condition precedent to the issuance or retention of a license under this chapter, that an applicant qualify under Chapter 467, Hawaii Revised Statutes as a real estate broker or salesman.

**Sec. -3. License fee.** (a) Every rental agency shall pay an annual license fee of \$25 to the director on or before July 1 of each year.

(b) Failure to pay the annual license fee shall constitute a forfeiture of license.

(c) Fees collected by the director shall be deposited in the general fund of the State.

**Sec. -4. Bond.** Each licensed rental agency shall give and keep in force a bond with the director in the penal sum of \$5,000 with good and sufficient surety or sureties approved by the director, conditioned:

(1) That the licensee shall not violate any of the provisions of this chapter.

(2) That the licensee shall faithfully, promptly, and truly refund all fees illegally or incorrectly obtained from customers to the director.

**Sec. -5. Application for license.** Every individual, agent, partnership, corporation, or association seeking a license to operate a rental agency shall file

## **ACT 90**

a written application with the director which shall contain such information and shall be in such form as the director may prescribe.

**Sec. -6. Issuance of license.** (a) Upon receipt of an application for a license to conduct a rental agency, the director may order the issuance of the license provided that the application is complete and in proper form.

(b) Every license issued shall be valid only as to the rental agency and premises named therein. The location of rental agency shall not be changed without the written consent of the director and any change of location shall be endorsed on the license.

(c) The license shall not be transferable except on approval of the director.

**Sec. -7. Termination of license.** Every license to conduct a rental agency shall be valid under the terms set forth in the license. The license shall expire on June 30 of each year.

**Sec. -8. Posting.** Every license to conduct a rental agency shall be posted in a conspicuous place in the main room of the agency.

**Sec. -9. Records and reports.** Every rental agency shall keep accurate and up-to-date records on the housing accommodations for which it seeks tenants. These records shall include at least the following information:

(1) Whether or not the housing accommodation is presently available for rent and the dates on which the landlord or person empowered to rent the accommodation was contacted;

(2) The monthly rent;

(3) The amount required for the damage deposit; clean-up fees, and rent prepayment;

(4) The number and type of rooms;

(5) Whether or not a lease is required and, if one is required, its duration;

(6) Any restrictions of the landlord (for instance, no pets, no children, no stereo systems, etc.);

(7) The type of neighborhood (residential, rural, commercial, high rise, etc.); and

(8) The location of the housing accommodation. The director may prescribe by rule or regulation that this information, as well as any additional information, be relayed to him on a regular basis. The records required by law or regulation shall be preserved by the agency for a period of at least two years.

**Sec. -10. Duties of the rental agency.** In determining whether a housing accommodation is still available for rent, the rental agency shall check at least every third day with the landlord or the person empowered to lease, sublease, or assign the housing accommodation. On the basis of the information so obtained, the rental agency shall inform each prospective customer, whether or not he requests the information, of the number of housing accommodations conforming to his specific requirements that the rental agency has listed as presently available. No customer shall be required to pay a fee or charge until the rental agency has successfully placed him in a housing accommodation.

**Sec. -11. Director's rights.** The director and his authorized representatives shall have the power and authority to enter any office, building, premises, or other place in which a rental agency is operated for the purpose of making investigations for the proper enforcement of this chapter and such rules and regulations as the director may prescribe. No person shall refuse the director or his authorized representative admittance to any such office, building, premises, or other place. The director and his authorized representatives shall for the purpose of examination have access to and the right to copy any book, account, receipt, contract, or other paper or document relating to the business of conducting a rental agency. Every person shall furnish to the director or his authorized representative such information relating to the business of conducting a rental agency. The rights as specified above shall be limited to regular business hours and at such other times as the director feels will be necessary to effectuate the purposes of this chapter.

**Sec. -12. Revocation and cancellation.** Any license may be revoked or cancelled for cause at any time by the director after affording all interested parties reasonable opportunity for a fair hearing pursuant to chapter 91. Cause shall mean violation of any provision of this chapter or rule or regulation of the director.

**Sec. -13. Reconsideration.** In the absence of appeal and within ten days after mailing or delivery of notice of decision made pursuant to sections -6 and -12 to the parties entitled thereto, the director may, for good cause, on his own motion or upon application of any interested party reconsider such decision. Upon an application for reconsideration the director shall promptly reconsider the decision.

**Sec. -14. Appeals.** Any person aggrieved by a decision made pursuant to sections -12 and -13 may appeal to the circuit court as provided in section 91-14.

**Sec. -15. Stay of enforcement.** In no case shall an application for reconsideration or an appeal to the circuit court operate as a supersedeas or stay unless the director or the circuit court so orders.

**Sec. -16. Rules and regulations.** The director may make, amend or repeal such rules and regulations pursuant to chapter 91, as he may deem proper to fully effectuate the provisions of this chapter.

**Sec. -17. Penalties.** Any rental agency which violates this chapter shall be fined not more than \$1,000 or imprisoned not more than six months, or both."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 92**

pitals.

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

SECTION 1. Section 27-21 of the Hawaii Revised Statutes is amended by adding the following sentence:

“The state may arrange an interchange of services between the hospitals under its jurisdiction and any nonprofit hospital as defined in section 323-12.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 92**

H. B. NO. 1229

A Bill for an Act Relating to the Expenditure of Public Money and Public Contracts.

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

SECTION 1. Section 103-32, Hawaii Revised Statutes, is hereby amended to read:

**“Section 103-32. Contracts to be in writing; lowest responsible bidder.** All contracts shall be in writing and shall be executed in the name of the State, county, or the board, bureau, or commission thereof authorized to let contracts in its own name, as the case may be, by the officer letting the contracts, and shall be made with the lowest responsible bidder, except as provided for in section 103-43, if the bidder qualifies by providing the security required by section 103-34 to 103-37. If the lowest bid or any other bid is rejected, or if the bidder to whom the contract was awarded fails to enter into the contract and furnish satisfactory security, the officer may, in his discretion, award the contract to the lowest remaining responsible bidder or may publish another call for tenders as provided in section 103-26; provided that at his discretion the officer, after determining the lowest responsible bidder, may negotiate with such bidder to reduce the scope of work and to award the contract at a price which reflects the reduction in the scope of work.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

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

(Approved June 23, 1969.)

**ACT 93**

H. B. NO. 1231

A Bill for an Act to Amend Part I of Chapter 137, Revised Laws of Hawaii 1955, as Amended, Relating to General Obligation Bonds.

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

\* Edited accordingly

**SECTION 1.** Part I of chapter 137, Revised Laws of Hawaii 1955, as amended, is hereby further amended in the following respects:

(a) By amending section 137-4 by deleting the word "revenues" in the caption thereof and substituting therefor the words "general fund"; by deleting the word "revenues" in the second sentence thereof and substituting therefor the word "fund"; and by deleting the word "public" in the third sentence and substituting therefor the word "full".

(b) By amending section 137-11 by deleting the word "revenues" twice in the second paragraph thereof and substituting therefor in each place the word "fund".

(c) By amending section 137-13 by deleting the word "revenues" in the first sentence of the second paragraph thereof and substituting therefor the word "fund"; and by changing the last sentence of the second paragraph thereof to read as follows:

"However, without express authorization by the Legislature, no bonds shall be issued under this part to refund bonds, notes or other instruments of indebtedness payable solely from and secured solely by the revenues, or user taxes, of a public undertaking, improvement or system, unless the bonds to be refunded were issued prior to November 5, 1968 and are payable from both the revenues and the user taxes of the undertaking, improvement or system for which they were issued. In the event of the issuance under this part of bonds to refund bonds payable solely from and secured solely by the revenues or user taxes, or combination of both, of a public undertaking, improvement or system, reimbursement shall be made to the general fund from such revenues or taxes, or combination thereof, for the payment of all of the principal and interest of the refunding bonds."

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 23, 1969.)

A Bill for an Act Relating to a State Exhibition at "Expo 70" (the 1970 Japan World Exposition in Osaka, Japan).

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

**SECTION 1.** The governor may prepare complete plans for the design,

## **ACT 95**

establishment and operation of a State exhibit at the Japan World Exposition to be held in Osaka, Japan, in 1970, hereinafter referred to as "EXPO 70".

**SECTION 2.** The governor may delegate the functions required of section 1 to any of his departments; provided that the governor shall submit written reports to the Legislature on the operation of EXPO 70 no later than February 1, 1970 and February 1, 1971 of the preceding years, respectively, upon the undertaking of the project.

**SECTION 3.** The provision of chapter 103, Hawaii Revised Statutes, shall not apply to sections 1 and 2 of this Act.

**SECTION 4.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$800,000 or so much thereof as may be necessary, to the office of the governor, for the purpose of this Act.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 95**

S. B. NO. 87

A Bill for an Act Relating to Grades and Standards for Fresh Fruits and Vegetables and Amending Chapter 22, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 22-9, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

**" §22-9. Income from marketing inspection and agriculture control activities.** All fees, expenses and penalties collected by the department pursuant to the provisions of this part shall be deposited with the director of finance to the credit of the general fund."

**SECTION 2.** Statutory material to be deleted is bracketed. In printing this Act, the revisor of statutes need not include the brackets or the bracketed material.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

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\* Edited accordingly

**ACT 96**

S. B. NO. 127

A Bill for an Act Relating to Small Loan Business.

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

SECTION 1. Section 195-6, Revised Laws of Hawaii 1955, is amended by deleting therefrom the last sentence of the first paragraph.

SECTION 2. Section 195-26, Revised Laws of Hawaii 1955, is hereby repealed.

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 97**

S. B. No. 128

A Bill for an Act Relating to the Industrial Loan Act.

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

SECTION 1. The second sentence of section 194-14, Revised Laws of Hawaii 1955, is amended to read as follows:

"The certificates shall not be issued by any such company without receiving the prior written approval of the bank examiner, and shall bear upon the face of the instrument the words, 'THIS IS NOT A CERTIFICATE OF DEPOSIT.'"

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

\* Edited accordingly

## **ACT 98**

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 98**

S. B. No. 139

A Bill for an Act Relating to Fees for Entries Made in the Tax Lien and Encumbrance Record on Motor Vehicles and Amending Chapter 160, Revised Laws of Hawaii 1955, as Amended.

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

**SECTION 1.** Section 160-6, Revised Laws of Hawaii 1955, as amended, and as appropriately renumbered by section 3, part VIII of Act 214, S.L.H. 1967, is hereby further amended by substituting a semicolon for the period appearing at the end of the last sentence of the second to the last paragraph thereof, and by adding thereto the following:

"provided however, that said fee shall not be charged for entries filed by or on behalf of the United States of America or its wholly owned agencies or instrumentalities, the State of Hawaii, or a political subdivision thereof, or wholly owned agencies or instrumentalities of the State or of a political subdivision of the State."

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved June 23, 1969.)

## **ACT 99**

S. B. NO. 158

A Bill for an Act Relating to Aviation Fuel Taxes and Amending Section 261-5 of the Hawaii Revised Statutes.

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

**SECTION 1.** The last sentence of section 261-5(a) of the Hawaii Revised Statutes, as amended by Act 10, Session Laws of Hawaii 1969, is amended to read as follows:

"The department shall generate sufficient revenues from its airport properties to meet all of the expenditures of the statewide system of airports and to comply with section 39-59; provided that as long as sufficient revenues are gen-

erated to meet such expenditures, the director of transportation may, in his discretion, grant a rebate of the aviation fuel taxes paid into the airport revenue fund during a fiscal year pursuant to sections 243-4(a) (2) and 248-8 to any person who has paid airport use charges or landing fees during such fiscal year. Such rebate may be granted during the next succeeding fiscal year but shall not exceed one-half cent per gallon per person, and shall be computed on the total number of gallons for which the tax was paid by such person, for such fiscal year."

**SECTION 2.** This Act shall take effect on July 1, 1969.

(Approved June 23, 1969.)

**ACT 100**

S. B. NO. 160

A Bill for an Act Relating to the Regulation of Petty Cash Funds for the University of Hawaii.

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

**SECTION 1.** The last sentence in the first paragraph of section 34-16, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"The comptroller, before issuing a State warrant for such purpose, shall determine whether or not the business of such agency warrants the establishment of such a fund, and if he is satisfied that such fund is necessary, he shall issue a State warrant to such agency for such amount as he shall determine, not to exceed, however, the sum of \$5,000, except that this limitation of \$5,000 shall not apply to the University of Hawaii."

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 101**

S. B. NO. 328

A Bill for an Act Relating to the Uniform Commercial Code.

\* Edited accordingly

## ACT 102

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

SECTION 1. Section 490:2-318 is hereby deleted from chapter 490 of the Hawaii Revised Statutes and in lieu thereof, the following language is substituted:

**“Section 490:2-318. Third party beneficiaries of warranties express or implied.** A seller's warranty whether express or implied extends to any person who may reasonably be expected to use, consume or be affected by the goods and who is injured by breach of the warranty. A seller may not exclude or limit the operation of this section with respect to injury to the person of an individual to whom the warranty extends.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## ACT 102

S. B. NO. 451

A Bill for an Act Relating to Deductions from Allowances of Class A Retirees.

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

SECTION 1. Chapter 88, Hawaii Revised Statutes is hereby amended by adding a new section to be appropriately designated and to read as follows:

**“Sec. 88- . Adjustment of retirement allowances of retinants.** The retirement allowance of any class A member whose allowance was reduced by reason of social security coverage subsequent to December 31, 1955, shall be increased by the amount of such reduction; provided, that the increase shall be limited to 1/280 of that part of his average final compensation not in excess of \$4,200 per annum multiplied by the number of years of his creditable service rendered between January 1, 1956 and January 1, 1965 for which he received compensation covered by social security, and provided that in the case of a member who retired on a service-connected disability retirement the increase shall be limited to 16 and 2/3 per cent of that part of his average final compensation not in excess of \$4,200 per year.”

SECTION 2. Section 88-68, Hawaii Revised Statutes is hereby amended by deleting the comma after the word “compensation” on the seventh line thereof and substitute a period therefore, and by deleting the words “except that if a member was, at any time, a class A member, the pension payable subsequent to the time when the member becomes eligible for a social security benefit, shall be reduced by sixteen and two-thirds per cent of the part of his average final compensation not in excess of \$4,200 a year.”

SECTION 3. This Act shall take effect on July 1, 1969.

(Approved June 23, 1969.)

**ACT 105**

**ACT 103**

S. B. NO. 667

A Bill for an Act Relating to an Extension of the Filing Date for Remission of Taxes in Cases of Certain Disasters.

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

SECTION 1. Notwithstanding any laws to the contrary and applicable only for the tax year 1968, the time in which a claimant may file a return for remission of taxes pursuant to section 246-54 of the Hawaii Revised Statutes is hereby extended to and including June 30, 1969.

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

**ACT 104**

S. B. NO. 597

A Bill for an Act Amending Section 609-9 of the Hawaii Revised Statutes, Relating to the Compensation of Jury Commissioners.

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

SECTION 1. Section 609-9 of the Hawaii Revised Statutes, is amended by substituting "\$400" and "\$175" for "\$250" and "\$100" in the seventh sentence, so that the sentence reads as follows:

"Each jury commissioner, except the clerk of court appointed by the commission, shall be allowed for services on the jury commission such compensation as may be determined by the judge or judges to be just and reasonable, not to exceed \$400 in the first circuit and \$175 in other circuits, payable out of circuit court expense funds."

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, the sum of \$1500, or so much thereof as may be necessary, for the purposes of this Act.

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

(Approved June 23, 1969.)

**ACT 105**

S. B. NO. 705

A Bill for an Act Relating to Hansen's Disease and Amending Chapter 326 of the Hawaii Revised Statutes.

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

SECTION 1. Section 326-4 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 326-4. Officers and employees; sickness and accident; expense.** In case any officer or employee of the department of health becomes

## **ACT 106**

ill or is injured at the settlement at Kalaupapa and, in the opinion of the physician of the settlement, or in his absence an authorized agent of the department of health, suitable medical, hospital, nursing, or other services or facilities are not available there, the department shall incur and pay the reasonable and necessary expenses of removing and transporting the officer or employee to and from a place within the State where suitable hospital facilities or treatment can be secured."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 106**

S. B. NO. 810

A Bill for an Act Relating to the Practice of Naturopathy.

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

**SECTION 1.** Section 455-2, Hawaii Revised Statutes, is amended by amending the last sentence to read as follows:

"No person shall be licensed to practice naturopathy unless he has been duly examined and has passed such examination."

**SECTION 2.** Section 455-6, Hawaii Revised Statutes, is amended in the following respects:

A. Item (3) is hereby repealed.

B. Item (4) is redesignated "(3)" and amended to read as follows:

"(3) Revoke or suspend any license issued to any person to practice naturopathy upon any of the following causes:"

C. The first paragraph following sub-item (H) is hereby repealed.

D. The second paragraph following sub-item (H) is amended to read as follows:

"The board may not suspend or revoke a license, however, for any of these causes unless the person accused has been given at least twenty days' notice, in writing, and a public hearing in conformity with chapter 91."

E. The last paragraph is amended to read as follows:

"In case any license is revoked for any of the causes named in this section, the holder thereof shall be immediately notified of the revocation, in writing, by the board. Licenses to practice naturopathy may be restored by the board."

**SECTION 3.** Section 455-7, Hawaii Revised Statutes, is amended by deleting the last sentence thereof.

**SECTION 4.** Section 455-8, Hawaii Revised Statutes, is amended by amending the first sentence thereof to read as follows:

"License to practice; annual registration. Licenses to practice naturopathy shall be issued by the board in such form as the board determines, to those who qualify according to this chapter."

**SECTION 5.** Statutory material to be repealed is bracketed. New mate-

rial is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 6. This Act shall take effect July 1, 1969.

(Approved June 23, 1969.)

ACT 107

S. B. NO. 863

A Bill for an Act Relating to Investments by the Employees' Retirement System.

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

SECTION 1. Section 88-110 of the Hawaii Revised Statutes is amended by deleting the words "sixty and six-tenths" appearing in the fourth line of paragraph (2) and substituting the word "seventy" therefor.

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

ACT 108

S. B. NO. 1014

A Bill for an Act Relating to the Regulation of the Conduct of Trade and Commerce.

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

SECTION 1. Section 480-13 of the Hawaii Revised Statutes is amended to read as follows:

**"Sec. 480-13 Suits by persons injured; amount of recovery, injunctions.** (a) Any person who is injured in his business or property by reason of anything forbidden or declared unlawful by this chapter:

(1) May sue for damages sustained by him, and, if the judgment is for the plaintiff, he shall be awarded a sum not less than \$1,000.00 or threefold damages by him sustained, whichever sum is the greater, and reasonable attorneys fees together with the cost of suit; and

(2) May bring proceedings to enjoin the unlawful practices, and if the decree is for the plaintiff, he shall be awarded reasonable attorneys fees together with the cost of suit.

(b) The remedies provided in this section are cumulative and may be sought in one action."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 23, 1969.)

ACT 109

S. B. NO. 1061

A Bill for an Act Amending Chapter 47 of the Hawaii Revised Statutes, Relat-

\* Edited accordingly

## ACT 109

ing to General Obligation Bonds of the Counties.

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

SECTION 1. Chapter 47 of the Hawaii Revised Statutes is hereby amended in the following respects:

(a) By amending section 47-1 so that said section shall read in its entirety as follows:

**"Section 47-1. Definitions.** For the purposes of this chapter, as used herein 'bonds' shall include bonds, notes and other instruments of indebtedness; 'governing body' shall include the councils of the counties, or any other body exercising the legislative powers of the county; and director of finance shall mean the director of finance of the various counties."

(b) By amending section 47-2 so that said section shall read in its entirety as follows:

**"Section 47-2. Issuance authorized; limitation.** Each county in the State shall have the power to issue general obligation bonds of the county within the limitation, for the purpose, upon the terms, and in the manner in this part, stated, and such general obligation bonds are hereby authorized to be issued. The total funded debt of the county that is outstanding and unpaid at any time shall not exceed the sum equal to fifteen percent of the total of the assessed values for tax rate purposes of real property in the county, as determined by the last tax assessment rolls pursuant to law. In determining the total funded debt of the county there shall be excluded bonds of the county which may be excluded therefrom by reasons of clauses (a), (b), (c), (d) and (e) of section 3 of Article VI of the Constitution of the State and there shall be included the principal amount then outstanding of general obligation bonds issued by the State for the county, to the extent such principal amount is required to be included by clause (h) of section 3 of Article VI of the Constitution."

(c) By adding thereto Part I a new section to be numbered and designated and to read as follows:

**"Section 47-2.1. Bonds for revenue-producing undertakings.** General obligation bonds may be issued under this part for an undertaking as defined in sec. 49-1 of the Hawaii Revised Statutes, and such bonds may be combined into, issued and sold with other general obligation bonds of the county as a single issue of bonds. The governing body may require that the general fund of the county shall be reimbursed from the revenue of the undertaking for all of the principal of and interest on such bonds, or for such part thereof as the governing body may determine, and may further provide that such bonds shall be additionally secured by a pledge of the revenues of the undertaking, subject to the rights of the holder of any bonds then outstanding and the provisions of the ordinances or resolutions authorizing the outstanding bonds. Whenever the undertaking shall be under the management and control of a department or board of the county and such department or board has the power and authority under chapter 49 of the Hawaii Revised Statutes, to issue revenue bonds under that chapter, (1) no bonds shall be authorized under this chapter for such undertaking by the governing body of the county unless such department

or board by resolution shall have requested the issuance thereof, which resolution shall set forth the details regarding the proposed bond issue including the date, the maturity dates, interest payment dates, provisions for redemption prior to maturity, if any, and such other information as the department or board shall deem advisable; (2) the governing body may require that the general fund of the county be reimbursed from the revenue of the undertaking for all of the principal of and interest on such bonds, or for such part thereof as the governing body may determine, and that such rates, rentals, fees and charges be imposed for the use and services of the undertaking so as to produce revenue of the undertaking at least sufficient, after the costs of operation, maintenance and repair of the undertaking and the required payments of the principal of and interest on all revenue bonds issued for the undertaking have been made therefrom, to permit the payment into the general fund of the amounts required for such reimbursement; provided that the governing body shall not impose such requirement unless prior to the issuance of such general obligation bonds the department or board has approved the details and time of issuance and sale of the bonds and the interest rate or rates the bonds are to bear, which details and time shall comply with all the provisions of the resolution requesting the issuance of the proposed bond issue and the provisions of this chapter; and (3) no pledge of the revenue of the undertaking shall be made to the payment and security of the bonds unless consented to by the department or board, and if so required by chapter 49 of the Hawaii Revised Statutes, or by charter or by the provisions of the resolutions securing the revenue bonds issued for the undertaking, such pledge may be made by the department or board in the resolution requesting the issuance of the proposed bond issue."

(d) By adding thereto Part I a new section to be numbered and designated and to read as follows:

**"Section 47-2.2. Bond anticipation notes.** Whenever the governing body of the county shall have authorized the issuance of bonds under this part, general obligation bond anticipation notes of the county are hereby authorized to be issued in anticipation of the issuance of such bonds and of the receipt of the proceeds of sale thereof, for the purposes for which such bonds have been authorized. All general obligation notes must be authorized by the governing body of the county issuing same, and the maximum principal amount of such notes shall not exceed the authorized principal amount of such bonds. The director of finance of the county, with the approval of the governing body, may issue and sell from time to time the bond anticipation notes which have been authorized by the governing body. The full faith and credit of the county shall be pledged to the payment of the principal and interest of the notes. The authorization, issuance and details of the notes shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable, provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note; (2) the notes may be sold at public or private sale as the director of finance, with the approval of the governing body, may determine; (3) all signatures upon the notes may be manual

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signatures; and (4) the interest on the notes shall be paid from the general fund of the county issuing same and the principal thereof from the proceeds of sale of the bonds in anticipation of which the notes have been issued or from any money in the general fund available therefor. To the extent that the principal of the notes shall be paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds in anticipation of which the notes are issued that has been authorized shall be reduced by the amount of notes paid in such manner."

(e) By amending section 47-3 so that said section shall read in its entirety as follows:

**"Section 47-3. Purposes of issuance.** Such bonds shall be issued only for public improvements of the county, including without limitation, special improvements, the cost of which is assessed or assessable in whole or in part against properties benefited or improved by such improvements; provided that the issuance of such bonds for such special improvements shall be limited to special improvements initiated by the county."

(f) By amending section 47-4 by deleting the first sentence thereof and substituting therefor the following:

"All bonds of a county issued pursuant to this chapter must be authorized by the governing body of the county issuing same, and shall be authorized by an ordinance or resolution of the governing body, which ordinance or resolution may relate to more than one public improvement."

(g) By amending section 47-5 so as to read in its entirety as follows:

**"Section 47-5. Exemption from taxes; first charge on general fund.**

All bonds heretofore or hereafter issued under the authority of this chapter and the income therefrom shall be exempt from any and all state, county and municipal taxation. The interest and principal payments of bonds issued under this chapter shall be a first charge on the general fund of the county issuing same, and sufficient revenues shall be raised or provided from time to time by the county for the purpose of such payment. Any county issuing bonds under this chapter shall appropriate out of the general fund of the county all amounts necessary for the payment from time to time of the principal of the bonds and the several interest amounts as they mature and such appropriation shall be a paramount appropriation upon the general fund of the county issuing same."

(h) Section 47-6 is hereby amended by deleting therefrom the words "board of supervisors" and "board", the latter in two places, and substituting therefor in each instance the words "governing body".

(i) Section 47-7 is hereby amended by deleting the caption thereto and first sentence thereof and substituting in place thereof the following:

**"Section 47-7. Issuance, interest rate, denominations, maturities, places payable, registration, redemption, medium of payment, sale, or other disposal.** The director of finance of the county may, upon authorization of its governing body, issue from time to time and in accordance with the provisions of this chapter, bonds of the county authorized for issuance by the governing body thereof. All bonds issued under authority of this chapter shall bear inter-

est payable semi-annually at a rate or rates not exceeding seven percentum per annum; if for a term exceeding one year, shall be in serial form maturing in substantially equal installments of principal, or maturing in substantially equal installments of both principal and interest, the first installment of principal to mature not later than five years from the date of issue of such series and the last installment not later than thirty-five years from the date of such issue; may be payable as to both principal and interest at places within and without the State; may be issued in coupon form without privilege of registration or registrable as to principal only or as to both principal and interest or in fully registrable form; may be made redeemable at any time or times prior to their stated maturities at prices not exceeding one-hundred four per cent of the par value thereof; and shall be payable, as to both principal and interest, dollar for dollar in any coin or currency of the United States which at the time of payment is legal tender for public and private debts."

Section 47-7 is further amended by deleting from the third-to-last and fourth-to-last sentences of that section the words "board of supervisors" and "board" in each instance they appear and substituting therefor the words "governing body"; by deleting in the last and fourth-to-last sentence of the section the word "treasurer" and substituting therefor the words "director of finance"; and by deleting from the last sentence of the section the words "board of supervisors" and substituting therefor the words "governing body".

(j) By amending section 47-8 to read in its entirety as follows:

**"Section 47-8. Form and execution of bonds.** All bonds issued under the provisions of this chapter shall be lithographed or steel engraved, shall be signed by the director of finance of the county and shall bear the lithographed or engraved facsimile signature of the mayor of the county and shall be sealed with the seal or lithographed or engraved facsimile seal of the county. Interest coupons shall bear a lithographed or engraved facsimile of the signature of the director of finance of the county. When bonds of the county are prepared and signed by the director of finance in office at the time of such signing and by the mayor in office at the time of the lithographing or engraving of a facsimile of his signature upon the bonds, the signatures of such director and mayor shall be valid and sufficient for all purposes, and shall have the same effect as if the persons so officially signing the bonds or whose facsimile signature appears thereon had remained in office until the delivery of the same to the purchasers, although the term of office of such persons or either of them may have expired or they may otherwise have ceased to be such officers before such delivery."

(k) By amending section 47-9 by deleting from the caption and first sentence thereof the word "treasurer" and substituting therefor the words "director of finance".

(l) By amending section 47-16 by deleting from the second sentence thereof the words "board of supervisors" and substituting therefor the words "governing body"; and by deleting from the third sentence thereof the word "treasurer" and substituting therefor the words "director of finance".

(m) By amending section 47-18 by deleting the comma after the word "thereby" and inserting immediately before the word "notwithstanding" the

## **ACT 110**

following words and comma: "or an undertaking, improvement or system of the county".

(n) By amending section 47-19 by deleting therefrom the word "board" and substituting therefor the words "governing body".

(o) By amending Parts II, III and IV of Chapter 47 by deleting therefrom the word "treasurer" in each instance it appears and substituting therefor in each instance the words "director of finance", and by deleting therefrom the words "board of supervisors" in each instance they appear, except in the last sentence of the second paragraph of section 47-41, and substituting therefor in each such instance the words "governing body".

(p) By amending section 47-41 by deleting the second paragraph of that section and inserting in lieu thereof the following: "All duplicate bonds and coupons issued in place of bonds destroyed or defaced pursuant to the provisions hereof shall be in such form and executed in such manner as is provided in section 47-8 hereof; provided that all signatures upon such bonds may be manual signatures thereon."

(q) By repealing section 47-51.

(r) By deleting the third sentence of section 47-52 and substituting therefor the following: "The refunding bonds shall be issued in accordance with the provisions of Part I of this chapter, and all of the provisions of that chapter shall be applicable to such refunding bonds."

(s) By amending section 47-53 by deleting therefrom the words "except bonds payable solely from the revenues of a water supply and distribution system"; and by deleting the comma after the numerals 49-1 and inserting a period in lieu of such comma.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 110**

**S. B. NO. 1119**

A Bill for an Act Relating to the Employees' Retirement System of the State of Hawaii.

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

**SECTION 1.** Parts I and II of chapter 6, Revised Laws of Hawaii 1955, as amended, are hereby further amended to read as follows:

### **"PART I. GENERAL PROVISIONS**

#### **A. MISCELLANEOUS**

**Section 6-1. Restrictions.** The provisions of this section shall be applicable to every pension and to every recipient or beneficiary thereof, granted or provided for by any special act of the Legislature (other than benefits, or the recipients thereof, payable to beneficiaries or retirants of the employees' retirement system under Part II) whether the pension be payable by the State or by any county, or by any board, commission, bureau, department or other

agency thereof:

(1) No recipient or beneficiary shall be permitted to draw any pension, or any portion thereof, in excess of \$50 per month, while he is holding any salaried position or office in, under or by authority of the United States, the State, or any political subdivision thereof. This paragraph shall not apply to any recipient or beneficiary who is elected to the Legislature or to the council of any county.

(2) If the recipient or beneficiary is a widow, the pension so granted to her shall cease when she remarries.

(3) Any pension payable to any minor shall cease when the minor reaches the age of eighteen years.

(4) If any male recipient or beneficiary of a pension, having a wife at the time the pension was first granted to him dies, then his wife, as long as she remains a widow, shall be paid sixty per cent of the amount of the pension payable to the male beneficiary.

**“Section 6-2. Minimum pension.** Every pension of less than \$30 per month payable under or pursuant to any law of the State by the State or by any county or independent public board or commission, other than benefits payable to members of the employees' retirement system or to the dependents or beneficiaries of such members under Part II, shall be increased to \$30 per month, any provision in any other law to the contrary notwithstanding; provided that where the dependents of a deceased pensioner are receiving pensions by reason of his death, the total only of all amounts paid to the dependents shall be so increased.

“The council of each county, and each independent board or commission affected, shall appropriate the funds necessary to pay the increases hereby allowed of pensions payable by their respective counties, boards and commissions. Sufficient funds to cover these increases hereby allowed of pensions payable by the State are hereby appropriated from the general revenues of the State not otherwise appropriated, and the State comptroller shall issue warrants to pay these increases.

**“Section 6-3. Payment on death of pensioner.** Whenever any person receiving a pension from the State or from any county thereof dies, the amount next payable shall be prorated from the last payment date up to and including the date of death. The sum so prorated shall be paid to such person as may have been designated by the pensioner during his lifetime in a statement filed with the officer charged with payment of the pension, or, if no such designation has been made and filed, then the amount so due shall be paid to the executor or administrator of the estate of the pensioner.

**“Section 6-4. Medical aid, etc., when free.** Every recipient of any retirement allowance or pension payable by the State or by any county or by any other governmental body or agency created by or under the laws of the State who is actually and solely dependent upon his retirement allowance or pension for his maintenance and support or whose total income in whatever form or from whatever source received, including but not limited to, his retirement al-

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lowance or pension and any income of his spouse is less than \$2,400 a year shall, for himself and his spouse, be entitled to free medical treatment from any government physician employed by the State or any county and to free hospitalization at any state hospital or at a hospital where county patients are treated at county expenses in the county wherein he resides.

"Whenever a retirant or pensioner having a spouse dies, then the spouse, as long as he or she remains single, shall be eligible for benefits under this section.

"**Section 6-5. List of pensioners, who shall provide.** The proper department of each county shall determine who is entitled to benefits under section 6-4 and shall provide to any government physician employed by the State or any county, and any county hospital or a hospital where county patients are treated at county expense in the county wherein the pensioner or beneficiary resides, a current list of pensioners and their spouses who are entitled to benefits under section 6-4. Upon request, the State retirement system shall provide to the proper departments of each county such information as may be required to administer section 6-4.

"**Section 6-6. Payment of retirement benefits.** Notwithstanding any other provision of this chapter, all retirees of the State retirement system or county pension funds shall be paid semimonthly.

### "B. PENSIONERS BONUS

"**Section 6-7. Bonus; amounts available.** Except as herein provided, every pension or retirement allowance payable under the employees' retirement system or payable pursuant to any law of the State, or by any county or independent public board or commission, shall be increased by a bonus for each month as follows:

"(1) \$56.44 to those retirants and pensioners who had, before July 1, 1966, ten or more years of service; provided that any service-connected disability retirant shall be entitled to receive the bonus payment without meeting such minimum service requirement;

"(2) \$22.58 per month additional to the above bonus to those retirants or pensioners who retired before July 1, 1945;

"(3) \$22.58 per month additional to the above bonus or bonuses to those retirants or pensioners who have had twenty-one or more years of service;

"(4) If the pension or retirement allowance as increased by such bonus or bonuses does not equal \$146.74 per month, the bonus shall be further increased by such sum not in excess of \$22.58 as may bring the total of the pension or retirement allowance and bonus to \$146.74 per month; provided that where the dependents of a deceased pensioner are receiving pension by reason of his death, the total only of all amounts paid to the dependents shall be so increased and the increase herein shall be shared by them in proportion to the respective amounts of pension receivable by them exclusive of this increase;

"(5) In the case of a member of the employees' retirement system who retires after June 30, 1965, on a service retirement allowance pursuant to section 6-52 or for ordinary disability pursuant to section 6-54, the bonus payable

under this section shall be further limited to the difference between:

- (a) the retirement allowance he would have received had he retired on June 30, 1965, plus the bonus; and
- (b) his actual retirement allowance.

“(6) Any provision of this section to the contrary notwithstanding, effective January 1, 1966, there shall be paid to every person who, on June 30, 1965, was receiving a retirement allowance from the system or other pension payable under or pursuant to the law of the State or by any county or independent board or commission, a special cost-of-living bonus of seven and one-half per cent of the retirement allowance or pension.

**“Section 6-8. Bonus; requirements, limitations.** No retirement allowance or pension payable under the employees' retirement system shall be increased by any bonus for any retirent or beneficiary unless the person for whose service the pension is payable has had sufficient service to qualify for the minimum service retirement allowance except as provided in subdivision (1) of section 6-7; provided that this provision shall not operate to increase the pension of any person who was receiving a pensioner's bonus on July 1, 1951, without having met the minimum service requirements but such person shall continue to receive the pension he was receiving on June 30, 1955.

**“Section 6-9. Bonus; retirants not eligible for.** No bonus shall be paid to any person who retires on or after July 1, 1957, and who will receive or who is receiving social security benefits when said benefits are based in whole or in part upon contributions made by the State or any of its political subdivisions.

**“Section 6-10. Bonus; authority to pay.** The board of trustees of the employees' retirement system shall pay the bonus to pensioners under the system, the comptroller shall pay the bonus to all State pensioners who are not under the system, and the appropriate officer of each county and each independent board or commission hereby affected, shall pay the bonus granted to pensioners whose pensions are payable by the respective counties, boards and commissions, all such payments to be made from allotment pursuant to section 6-12; and all such boards, commissions and officers shall certify to the director of finance, at such times and in such manner as required by the director of finance, the amounts required to meet such bonus payments.

**“Section 6-11. Bonus; waiver by veteran.** Any veteran who may qualify for a non-service-connected pension through the veterans administration may waive any portion or all of the benefits that he may receive under sections 6-7 to 6-12.

**“Section 6-12. Bonus; appropriation.** The director of finance is authorized to include in future budgets of the department of budget and finance such sums as are required to pay the bonuses described in sections 6-7 to 6-12. Such appropriations shall be allotted by the director of finance to the several boards, commissions and officers required to make such payments, except where there is a specific provision for payment of the bonus from other funds, and in the case of the counties the money so allotted shall be paid into each respective county treasury and held in special funds solely for the purpose of

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paying bonuses in accordance with sections 6-7 to 6-12.

**"Section 6-13. Bonus payment; limitation.** No bonus shall be payable to any person retiring after June 30, 1971.

### **"PART II. RETIREMENT FOR PUBLIC OFFICERS AND EMPLOYEES**

#### **"A. DEFINITIONS; BOARD OF TRUSTEES**

**"Section 6-20. Definitions.** The following words and phrases as used in this part, unless a different meaning is plainly required by the context, shall have the following meanings:

“ ‘Accumulated contributions’: the sum of all the amounts paid by, or deducted from the compensation of, a member and credited to his individual account in the annuity savings fund together with regular interest thereon.

“ ‘Actuarial equivalent’: a benefit of equal value to the accumulated contributions, annuity, pension or retirement allowance, when computed upon the basis of the actuarial tables in use by the system.

“ ‘Annuity’: benefit payments for life derived from the accumulated contributions of a member.

“ ‘Average final compensation’: the average annual compensation as described in section 6-60, which becomes part of the formula for the computation of a retirement allowance.

“ ‘Beneficiary’: the recipient of any benefit from the system or, as the context may indicate, the natural person or persons designated by a member to receive the benefits payable in the event of his death.

“ ‘County’: the counties of Hawaii, Honolulu, Kauai and Maui, including their respective boards of water supply and other quasi-independent boards, commissions and agencies.

“ ‘Credited service’: prior service plus membership service.

“ ‘Elective officers - elective officials’: elected officers of the State or any county including legislators and county supervisors or councilmen.

“ ‘Employee’: any employee or officer of the State or any county, including inspectors, principals, teachers and special teachers, regularly employed in the public schools, cafeteria managers and cafeteria workers, apprentices and on-the-job trainees whether or not supported in whole or in part by any federal grants, members of the legislature and other elective officers, legislative employees who are employed on a full time basis during and between sessions, probationary and provisional employees, per diem employees and others who are made eligible by reason of their employment to membership in the system by or pursuant to any other provision of law, but excluding:

“(1) per diem employees who elect to withdraw or not to become members as provided in section 6-32;

“(2) members of the legislature who do not elect to be members as provided in section 6-32;

“(3) persons excluded by rules of the board pursuant to section 6-33.

“An individual is an employee during the period of a leave of absence if he is in service, as defined in this part, during the period of the leave of absence and the board shall determine who are employees within the meaning of this

part.

“ ‘Firemen’: all regularly employed members of the fire departments of the counties, whose principal duties are to prevent and fight fires.

“ ‘Judge’: a justice of the supreme court or a judge of the circuit court of this State.

“ ‘Medical board’: the board of physicians provided for in section 6-29.

“ ‘Medical review board’: A board of physicians appointed to review appeals from the decisions of the medical board.

“ ‘Member’: any person included in the membership of the system.

“ ‘Membership service’: all service rendered by a member for which he had made the required contributions to the system.

“ ‘Pensions’: benefit payments for life derived from money provided by the State or county, as the case may be.

“ ‘Per diem worker’: a person employed and compensated on an hourly or daily basis.

“ ‘Policemen’: all duly commissioned members of the police department of the several counties whose principal duties are law enforcement and who are paid on a monthly salary basis, including without limiting the generality of the foregoing, all police matrons and guards who work under the jurisdiction of such departments.

“ ‘Prior service’: service rendered by a member to the State, territory or county or predecessor government prior to the establishment of the system or, as specifically provided in this part, prior to the admission of certain groups or classes of employees into the system membership.

“ ‘Regular interest’: interest at four per cent a year, compounded annually.

“ ‘Retirant’: a member who has retired and becomes a beneficiary of the system.

“ ‘Retirement allowance’: the benefit payable for life to which a member is entitled upon his retirement.

“ ‘Service’: service as an employee paid by the State or county, and also service during the period of a leave of absence or exchange if the individual is paid by the State or county during the period of the leave of absence or exchange or if the individual is not paid by the State or county during the period of the leave of absence but the individual is engaged in the performance of a governmental function or on an approved leave of absence for professional improvement with or without pay and the individual makes the same contribution to the system as he would have made if he had not been on such leave of absence. Cafeteria managers and cafeteria workers shall be considered as paid by the State, regardless of the source of funds from which they are paid.

“ ‘Service retirement’: retirement of a member for age or length of service.

“ ‘System’: the employees’ retirement system of the State of Hawaii.

**“Section 6-21. System established: name.** There shall be a retirement system for the purpose of providing retirement allowances and other benefits for employees. It shall have the powers and privileges of a corporation and

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shall be known as the 'Employees' Retirement System of the State of Hawaii' and by that name may sue or be sued, transact all of its business, invest all of its fund, and hold all of its cash and securities and other property.

### **"Section 6-22. General administration of system vested in board.**

The general administration and the responsibility for the proper operation of the retirement system and for making effective the provisions of this part are vested in a board of trustees; subject, however, to the area of administrative control vested in the department of budget and finance by section 14A-13.

**"Section 6-23. Composition of board.** The board of trustees shall consist of seven members as follows: (1) the director of finance of the State, ex-officio; (2) three members of the system, two of whom shall be general employees and one of whom shall be a teacher, to be elected by the members of the system under the rules and regulations adopted by the board governing the election to serve for terms of six years each, one of the terms to expire on January 1 of each even-numbered year; (3) three citizens of the State who are not employees, one of whom shall be a responsible officer of a bank authorized to do business within the State, or a person of similar experience, to be appointed by the governor to serve for a term of six years each, one of the terms to expire January 1 of each odd-numbered year. Each trustee shall serve until his successor is elected or appointed, as the case may be, and qualified.

**"Section 6-24. Vacancy.** If a vacancy occurs in the office of trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled, except in the case of the trustees elected by the members, in which case the vacancy may be filled for the unexpired term by the appointment of a member by the remaining trustees of the board of trustees.

**"Section 6-25. Expenses of trustees.** The trustees shall serve without compensation but they shall be reimbursed from the expense fund for all necessary expenses and for any loss of salary or wages they may suffer through serving the board of trustees.

**"Section 6-26. Oath of trustees.** Each trustee shall, within ten days after his appointment or election, take an oath of office that, so far as it devolves upon him, he will diligently and honestly administer the affairs of the board of trustees, and that he will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the system. The oath shall be subscribed to by the member making it and certified by the officer before whom it is taken and shall be immediately filed in the office of the lieutenant governor.

**"Section 6-27. Voting: rules.** Each trustee shall be entitled to one vote in the board of trustees. Four concurring votes shall be necessary for a decision by the trustees at any meeting of the board.

"Subject to the limitations of this part, the board shall, from time to time, establish rules and regulations for the administration of the funds of the system and for the transaction of its business.

**"Section 6-28. Officers, employers, legal adviser.** The board of trustees shall elect from its membership a chairman and shall by a majority vote of all its members appoint a secretary, who may but need not be one of its members. It shall engage such actuarial and other service as shall be required to transact the business of the system. The compensation for all services engaged by the board and all other expenses of the board necessary for the operation of the system shall be paid at such rates and in such amounts as the board shall approve.

"The attorney general shall be the legal adviser of the board.

**"Section 6-28.1. Actuary.** The actuary shall be the technical adviser of the board of trustees on the matters regarding the operation of the funds of the system and shall perform such other duties as are required in connection therewith.

**"Section 6-29. Medical board.** The board of trustees shall designate a medical board to be composed of three physicians not eligible to participate in the system. If required, other physicians may be employed to report on special cases. The medical board shall arrange for and pass upon all medical examinations required under this part, shall investigate all essential statements and certificates by or on behalf of a member in connection with application for disability retirement, and shall report in writing to the board its conclusions and recommendations upon all the matters referred to it.

**"Section 6-29.1. Medical review board.** The board of trustees may appoint an independent review board of licensed physicians to review such decisions of the medical board as may be referred by the board pursuant to an appeal filed under the provisions of section 6-62. The decisions of the medical review board shall be final and binding.

**"Section 6-30. Prohibited interest of trustees and employees of board.** Except as herein provided, no trustee and no employee of the board of trustees shall have any direct interest in the gains or profits of any investment made by the board, nor as such receive any pay or emolument for his services. No trustee or employee of the board shall, directly or indirectly, for himself or as an agent in any manner use the moneys of the system, except to make such current and necessary payments as are authorized by the board; nor shall any trustee or employee of the board become an indorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the board.

## **"B. MEMBERSHIP; SERVICE**

**"Section 6-31. Limitation of other statutes.** No other provision in any other statute which provides wholly or partly at the expense of the State or any county for pensions or retirement benefits for employees of the State or of any county, their widows or other dependents shall apply to members, retirants or beneficiaries of the system established by this part, their widows or other dependents, except such benefits as may be provided under Title II of the Social Security Act.

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**"Section 6-32. Membership generally.** Except as otherwise provided in this part, all employees of the Territory or any county on July 1, 1945, shall be members of the system on such date, and all persons who thereafter enter or reenter the service of the State or any county shall become members at the time of their entry or reentry.

"Per diem workers shall become eligible for membership on January 1, 1952, and all persons who are employed as per diem workers after December 31, 1951, shall become members of the system. Any person who was a per diem worker before January 1, 1952, shall not, so long as he is employed as a per diem worker, be required to become a member or to remain a member if he has elected before October 2, 1953, to withdraw as a member.

"Members of the legislature shall become eligible for membership on July 1, 1951. Any member of the legislature in service on July 1, 1951, or thereafter entering or reentering the legislature, may become a member upon his own election.

**"Section 6-33. Persons ineligible for membership; optional membership.** The board of trustees may deny membership to any class of part-time employees or persons engaged in temporary employment of three months or less, or it may, in its discretion, make optional with persons in such classes their individual entrance into membership; provided that no officer or employee entering service after January 1, 1928, who is entitled to become a member of any pension system under Part III shall be entitled to become a member of the system.

"Elective officers shall be eligible for membership and their individual entrance into membership shall be at their option.

**"Section 6-34. Enrollment.** Upon entering or reentering service, an employee shall file with the board such information as the board of trustees may require for enrollment and administrative purposes including a designation of a person or persons to receive any benefit that may be payable in the event of his death.

"An employee becoming a member of the system shall also present at such time and in such form as the board prescribes, evidence of his date of birth. No statement or record of age or birth made or presented by a member of the system may be impeached by the member or his successors in interest.

**"Section 6-35. Employee contributions.** After June 30, 1965, the normal contribution by each member to the annuity savings fund shall be six per cent of his compensation, provided that after June 30, 1967, all firemen and policemen shall contribute ten and four-tenths per cent of their compensation.

"In addition to the foregoing, all members including firemen and policemen, shall contribute one-half of one per cent of compensation to the post retirement fund.

**"Section 6-36. Deducting employee contributions from salary.** The head of each State department and the finance director of each county shall cause to be deducted from the salary of each member on each and every payroll under his jurisdiction for each and every payroll period, the percentage of

compensation of each member as provided under section 6-35. The total amount of deductions made from the salaries of employees and a record of the amount deducted from each member's compensation shall be transmitted to the system monthly or at such other times as may be agreed upon by the board of trustees. The amounts so deducted shall be paid into the annuity savings fund and the post retirement fund and shall be credited to the individual accounts of the member from whose compensation the deductions were made. Regular interest shall also be credited to the individual account of the member in the annuity savings fund.

**"Section 6-37. Membership; class A members and class B members.**

There shall be two classes of members in the system to be known as class A members and class B members, defined as follows:

"(1) Class A members shall consist of those members who are covered by the provisions of Title II of the Federal Social Security Act on account of service creditable under this part. These members shall consist of: (A) all employees who enter the membership of the system after June 30, 1957, except employees in positions to which coverage under Title II of the Social Security Act is not extended; (B) all employees who were members of the system on July 1, 1957, who elected to be covered by the Social Security Act.

"(2) Class B members shall consist of all other members in the system.

**"Section 6-38. Deduction in class A member's account.** An amount equal to the taxes under the Federal Insurance Contributions Act payable by a class A member for the period beginning January 1, 1956, and ending on the date class A membership is obtained, shall be deducted from his account in the system. Any member may elect to contribute to the system an amount equal to the taxes so deducted, which amount shall be credited to his account.

**"Section 6-39. Computation of year of service.** The board of trustees may fix and determine by appropriate rules and regulations how much service in any year is equivalent to a year of service but in no case shall more than one year of service be credited in twelve calendar months, nor shall the board allow credit as service for any period of more than one month's duration during which the employee was absent without pay.

**"Section 6-40. Employees paid partly from federal funds.** Where any employee, subject to the compensation law, has a portion of his salary paid from federal funds but is not subject to the federal retirement system, the employee shall be entitled to all benefits and be required to make all employee contributions under the system based upon the full salary received by the employee, including that portion of the salary paid from federal funds.

"This section shall be retroactive as to all employees affected, upon the employee paying into the system the contributions which would have been required had the employee's full salary been paid by the State or county, together with the necessary interest accumulations.

**"Section 6-41. Membership service generally.** Membership service includes (1) service by an employee rendered since becoming a member, (2) service rendered prior to becoming a member but (A) subsequent to January 1,

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1926, by an employee of the State or (B) subsequent to January 1, 1928, by an employee of any county, (3) service as an employee of the federal government where the function carried on by said government has been transferred to the State or any county, or where the employee has been transferred to the federal government and subsequently retransferred to the State or any county, (4) service of a governmental nature performed under the supervision or control of the State or any county, and performed for the State or any county by an employee of an employer other than the State or county, (5) service rendered by an employee in the office of the delegate to Congress from Hawaii, or service rendered by an employee in the office of a representative or a senator to Congress from the State; provided that (A) the employee was a member of the system immediately preceding the time he renders such service; (B) the employee reenters the service of the State or county within one year after termination of such service; and (C) the employee has, to the satisfaction of the board of trustees, waived his right to any credit under the Civil Service Retirement Act (5 USCA 2251) based upon such service; provided further, that credit for such service shall not exceed eight years, (6) service as an employee of the Hawaii territorial guard, (7) service while engaged in professional improvement pursuant to an approved leave of absence for such purpose, with or without pay, and (8) service between the years 1941 and 1945 with federal defense agencies, where the employee was employed by the government before the wartime service, went into defense work at the direction of his employer, and returned to his regular job at the end of the wartime service; provided that these circumstances shall be verified by evidence satisfactory to the board of trustees.

“Membership service shall only be credited for any period for which the member makes the required contributions to the system.

**“Section 6-42. Service while a member of the legislature.** Under such rules and regulations as the board of trustees may adopt, any legislator electing to become a member or any former legislator electing to become a member, shall file, on a form approved by the board, a detailed statement of all service as a legislator rendered by him for which he claims credit and which is not otherwise credited to him under this part. The board shall verify as soon as practicable the period of service therein claimed and shall allow prior service credit for all such service rendered prior to July 1, 1951, anything to the contrary in this part notwithstanding. All service rendered as a member of the legislature after June 30, 1951, shall be considered membership service.

**“Section 6-43. Service while legislative employee.** Any member who takes a leave of absence to be employed by the legislature during any legislative session shall be entitled to all benefits and required to make all employee contributions under the system for the period during which such employee worked for the legislature.

“Any employee who, prior to his becoming a member, was employed as an employee of the legislature during any legislative session shall be entitled to membership service for the period of such employment by applying and paying therefor as required by section 6-48 for the acquisition of membership service.

**"Section 6-44. Services of field civilian personnel of the Hawaii national guard.** Civilian field personnel of the Hawaii national guard are entitled to membership credit for all service performed by them in such capacity since August 1, 1946, upon making application therefor and complying with section 6-48, provided that by federal law or regulation a payroll deduction has been made for the contribution required to be made into the system by the employee.

**"Section 6-45. School cafeteria managers and workers.** School cafeteria managers and workers shall be considered as employees paid by the State regardless of the source of the funds from which they are paid. Any other provision of this part to the contrary notwithstanding, any member classified as a cafeteria manager or worker may purchase twelve months' service credit per year during the time he was working on a nine-month schedule during a calendar year.

**"Section 6-46. Prior service generally.** Prior service is credited without cost to the member entitled thereto. Prior service includes (1) service as an employee rendered (A) by an employee of the Territory prior to January 1, 1926, or (B) by an employee of any county prior to January 1, 1928, (2) service in a similar capacity paid for by the Republic of Hawaii or by the preceding provisional or monarchial governments, (3) all service creditable to the employee under any other retirement system supported wholly or in part by the State at the time he became a member of this system, (4) periods of honorable service in the army, navy, marine corps, coast guard and public health services of the United States at any time between the dates of April 5, 1917 and July 2, 1920, which service necessitated separation at the time of its inception from existing Territorial or county employment, (5) service as an employee during the period from January 1, 1926 to December 31, 1927, in the case of a member who became an employee of the Territory during said period was in the regular employ of any county immediately prior to the time he became a Territorial employee and was an employee of the Territory on January 1, 1928, and (6) other areas or periods of service described and designated in this part to constitute prior service.

**"Section 6-47. Prior service credit while per diem employee.** Employees in per diem positions, employees who formerly filled per diem positions, and former employees who filled per diem positions after December 31, 1927, shall be allowed full prior service credit in the system for their per diem service.

**"Section 6-48. Acquisition of credit for previous service.** Under such rules and regulations as the board of trustees may adopt, any member may file with the board a statement of all service as an employee or other service paid for by the State or a county rendered prior to his last becoming a member which is not otherwise credited to him, for which he claims prior service credit, and also a statement of such services for which he claims membership service credit and for which he agrees to have additional deductions made from his compensation or to make a lump sum payment as hereinafter described.

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“As soon as practicable after the filing of any such statement, the board shall verify the service therein claimed and determine the service credit allowable therefor. Verified prior service shall be credited forthwith. For a period equal to the period for which membership service credit is allowable, the deductions from the member’s compensation shall be twice the proportion provided for in section 6-35, and the contributions shall be paid to the system and shall be credited to the member’s individual account and become part of his accumulated contributions. The member may, at his option, pay in a lump sum the contributions payable on account of the period for which membership service is allowable. Such lump sum contributions shall be computed at the contribution rate provided by section 6-35, applied to the member’s monthly salary at the time of payment multiplied by the number of months for which membership service credit is being claimed.

“Membership service credit in addition to any other service credited to the member shall be allowed the member for the period for which such double deductions or lump sum contributions have been made.

“No post retirement contributions shall be required for any service being claimed which is prior to July 1, 1961.

“Any member of the legislature who reenrolls as an active member in accordance with section 6-49.2 and who desires to obtain membership service for a period of service as a member of the legislature during which he received a retirement allowance shall, in addition to complying with the provisions of this section, refund while a reenrolled active member the retirement allowance received during the period of legislative service.

**“Section 6-48.1. Members whose services are on loan to other governments.** Any member whose services are on loan to another government, as authorized by section 5-44, shall retain his membership and shall receive credit in the system for such service, provided he returns to his former employment within ninety days after the termination of such service and, provided further, that the government receiving the loan of his services fulfills all of the requirements of section 5-45.

**“Section 6-49. Termination of membership.** “(1) Except as otherwise provided by section 6-75, any member absent from service for four calendar years following the calendar year in which his employment terminated shall cease to be a member.

“(2) Any member who withdraws his contributions, becomes a retireant, or dies, ceases to be a member as of the date of withdrawal, retirement or death.

**“Section 6-49.1. Return to service of a former member.** “(1) If a former member who has been out of service for a period of four full calendar years or more after the year in which he left service, or if a former member who withdrew his accumulated contributions returns to service, he shall become a member in the same manner and under the same conditions as anyone first entering service; however, he may obtain membership service credit for his former credited service as provided in section 6-48. If such member did not

withdraw his accumulated contributions prior to his return to service, such contributions shall be returned to him as part of the process of enrolling him in the system.

"In order to be eligible for any benefit, he must fulfill the membership service requirements for such benefit through membership service after again becoming a member in addition to meeting any other eligibility requirement established for such benefit.

"(2) If a former member who did not withdraw his accumulated contributions returns to service within four full calendar years after the year in which he left service, he shall again become a member in the same manner and under the same conditions as anyone first entering service, except that he shall be credited with service credit for the service he had when he terminated employment and his new and previous accumulated contributions shall be combined.

### **"C. BENEFITS**

**"Section 6-50. Credited service at retirement.** Credited service at retirement on which the retirement allowance of a member shall be based shall consist of his membership service and his prior service, if any, as provided in this part.

**"Section 6-51. Refund of additional contributions.** A member may withdraw at any time prior to his retirement, all his voluntary contributions made to provide an annuity in addition to the retirement allowance provided under section 6-53.

**"Section 6-52. Service retirement.** Retirement of a member on a service retirement allowance shall be made by the board of trustees as follows:

"(1) Any member who has at least five years of credited service and who has attained age fifty-five or any member who has at least twenty-five years of credited service or any member who has at least ten years of credited service, including service as a judge or an elected officer, may retire upon his written application to the board specifying on what date, not less than thirty days nor more than ninety days subsequent to the execution and filing thereof, he desires to be retired.

"(2) Any member who has at least five years of credited service and who attains the age of seventy years shall be retired on the first day of the calendar month next succeeding that in which he attains such age; provided, a member of the legislature may continue or be restored to active membership in the system after the age of seventy years during the period such member is serving in his elective capacity.

"(3) Any member of the legislature who attains age sixty-five may retire and receive a service retirement allowance although he continues to fill his elective position.

**"Section 6-53. Allowance on service retirement.** Upon retirement for service, a member shall receive a retirement allowance as follows:

"(1) If the member has attained the age of fifty-five, a retirement allow-

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ance of one-fiftieth of the average final compensation of the member multiplied by the total number of years of his credited service; provided, that after June 30, 1968, if the member has at least ten years of credited service of which the last five or more years prior to retirement is credited service as a fireman or a policeman, then for each year of service as a fireman or a policeman the retirement allowance shall be two and one-half per cent of his average final compensation; provided further, that the maximum retirement allowance for such a member shall not exceed eighty per cent of his average final compensation. If the member has not attained the age of fifty-five, his retirement allowance shall be computed as though he had attained age fifty-five, reduced in accordance with factors of actuarial equivalence adopted by the board upon the advice of the actuary.

“(2) If the member has made voluntary additional contributions for the purchase of an additional annuity and has not applied for the refund thereof as permitted by section 6-51, he may accept such refund at time of retirement or, in lieu thereof, receive in addition to the retirement allowance provided in (1) hereof, an annuity which is the actuarial equivalent of such additional contributions with regular interest.

“(3) If the member has credited service as a judge or an elective officer, his retirement allowance shall be computed on the following basis: (A) irrespective of age, for each year of credited service as a judge or an elective officer, three and one-half per cent of his average final compensation in addition to an annuity which is the actuarial equivalent of his accumulated contributions allocable to the period of such service; and (B) for all other credited service as provided in subsections (1) and (2) hereof. No allowance shall exceed seventy-five per cent of the average final compensation. If the allowance exceeds this limit, it shall be adjusted by reducing the annuity included in (A) of this subsection and the portion of the accumulated contributions specified in the same subsection as may be in excess of the requirements of the reduced annuity shall be returned to the member.

“The allowance for judges under this section, together with the retirement allowance provided by the federal government for similar service, shall in no case exceed seventy-five per cent of average final compensation.

**“Section 6-54. Ordinary disability retirement.** Upon the application of a member in service or of the head of his department, any member who has had ten or more years of credited service shall be retired by the board of trustees on an ordinary disability retirement allowance if the medical board, after a medical examination of such member, certifies that (1) he is mentally or physically incapacitated for the further performance of duty, (2) that the incapacity is likely to be permanent, and (3) that the member should be retired.

“Retirement shall become effective upon the date the board specifies which is not less than thirty days next succeeding the date of filing of application.

**“Section 6-55. Allowance on ordinary disability retirement.** Upon retirement for ordinary disability, a member shall receive a service retirement allowance if he has attained the age of fifty-five years, otherwise, he shall re-

ceive a retirement allowance of twenty-five per cent of his average final compensation plus one per cent of his average final compensation for each full year of credited service over fifteen except that for each year of credited service as a judge or an elective officer, he shall receive a retirement allowance computed as provided in section 6-53(3)(A).

**Section 6-56. Service-connected total disability retirement.** (a) Upon application of a member, or of the head of his department, any member who has been permanently incapacitated as the natural and proximate result of an accident occurring while in the actual performance of duty at some definite time and place, or as the cumulative result of some occupational hazard, through no willful negligence on his part, may be retired by the board of trustees for service-connected total disability provided that:

“(1) In the case of an accident occurring after July 1, 1963, the employer shall file with the board a copy of the employer’s report of the accident submitted to the bureau of workmen’s compensation;

“(2) An application for retirement is filed with the board within two years of the date of the accident or the date upon which workmen’s compensation benefits cease, whichever is later;

“(3) Certification is made by the head of the agency in which the member is employed, stating the time, place and conditions of the service performed by the member resulting in his disability and that the disability was not the result of willful negligence on the part of the member;

“(4) The medical board certifies that the member is incapacitated for gainful employment and that his incapacity is likely to be permanent.

“(b) In the case of firemen, the cumulative effect of the inhalation of smoke, toxic gases, chemical fumes and other toxic vapors on the heart, lungs and respiratory system shall be construed as an injury received or disease contracted while in the performance of their duty and as the cumulative result of some occupational hazard for the purpose of determining total disability retirement under this section.

“(c) The board may waive strict compliance with the time limits within which a report of the accident and an application for service-connected disability retirement must be filed with the board if it is satisfied that the failure to file within the time limited by law was due to ignorance of fact or law, inability, or to the fraud, misrepresentation or deceit of any person, or because the applicant was undergoing treatment for the disability or was receiving vocational rehabilitation services occasioned by the disability.

“(d) The board shall have the power to determine whether or not the disability is the result of an accident occurring while in the actual performance of duty at some definite time and place and that the disability was not the result of willful negligence on the part of the member. The board may accept as conclusive: (1) the certification made by the head of the agency in which the member is employed; or (2) a finding to this effect by the medical board.

**“Section 6-57. Allowance on retirement for service-connected total disability.** Upon retirement for service-connected total disability, a member shall receive a retirement allowance which shall consist of an annuity plus a

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pension of sixty-six and two-thirds per cent of his average final compensation.

### **"Section 6-58. Service-connected occupational disability retirement."**

(a) Upon application of a member, or of the head of his department, any member who has been permanently incapacitated for duty as the natural and proximate result of an accident occurring while in the actual performance of duty at some definite time and place, or as the cumulative result of some occupational hazard, through no willful negligence on his part, may be retired by the board of trustees for service-connected occupational disability provided that:

“(1) In the case of accident occurring after July 1, 1963, the employer shall file with the board a copy of the employer's report of the accident submitted to the bureau of workmen's compensation;

“(2) An application for retirement is filed with the board within two years of the date of the accident, or the date upon which workmen's compensation benefits cease, whichever is later;

“(3) Certification is made by the head of the agency in which the member is employed, stating the time, place and conditions of the service performed by the member resulting in his disability and that the disability was not the result of willful negligence on the part of the member; and

“(4) The medical board certifies that the member is incapacitated for the further performance of duty, that his incapacity is likely to be permanent.

“(b) In the case of firemen, the cumulative effect of the inhalation of smoke, toxic gases, chemical fumes and other toxic vapors on the heart, lungs and respiratory system shall be construed as an injury received or disease contracted while in the performance of their duty and as the cumulative result of some occupational hazard for the purpose of determining occupational disability retirement under this section.

“(c) The board may waive strict compliance with the time limits within which a report of the accident and an application for service-connected disability retirement must be filed with the board if it is satisfied that the failure to file within the time limited by law was due to ignorance of fact or law, inability, or to the fraud, misrepresentation or deceit of any person, or because the applicant was undergoing treatment for the disability or was receiving vocational rehabilitation services occasioned by the disability.

“(d) The board shall have the power to determine whether or not the disability is the result of an accident occurring while in the actual performance of duty at some definite time and place and that the disability was not the result of willful negligence on the part of the member. The board may accept as conclusive: (1) the certification made by the head of the agency in which the member is employed; or (2) a finding to this effect by the medical board.

### **"Section 6-59. Allowance on retirement for service-connected occupational disability."**

Upon retirement for service-connected occupational disability, a member shall receive for a period of three years from the date of retirement, an allowance computed in the manner prescribed for service-connected total disability. In addition, within this three-year period, he shall be reimbursed in full for all expenses for all services, drugs and appliances approved by the medical board as being necessary to the treatment and care of

the disability, which expenses are not met by the Hawaii public employees health fund. Within the three-year period, the system shall also pay the cost of any physical and vocational rehabilitation services approved by the medical board. After the completion of three years, the annuity being paid shall be continued and the pension shall be thirty-three and one-third per cent of his average final compensation; provided, if the medical board shall, within the three-year period of time, find and certify the disability pensioner is totally incapacitated for gainful employment, the board shall award a service-connected total disability benefit in which case benefits shall be paid under section 6-57.

“Any other provision of this part notwithstanding, a retirant receiving service-connected occupational disability benefits shall continue to receive such benefits irrespective of his later employment or if he later becomes a member of the system. If such a retirant again becomes a public employee, his membership status in the system shall be determined as though he were entering public employment for the first time and all benefits related to such new membership shall be accrued and paid without reference to the service-connected occupational disability benefits being paid.

**“Section 6-60. Average final compensation.** The average annual compensation, pay or salary upon which a member has made contributions as required by sections 6-35 and 6-36, (1) during his five highest paid years of credited service, or (2) if he has had less than five years of credited service, then during his actual years of credited service.

“In computing the compensation of a judge, the compensation paid to him by the United States as well as by the Territory shall be included.

“For service rendered as a member of the legislature after the admission of this State into the union and until November 5, 1968, the annual compensation of a member for the purpose of determining his average final compensation shall be computed as follows: (1) during a year in which a general session is held, an amount equal to four times the salary of a member of the legislature for a general session; and (2) during a year in which a budget session is held, an amount equal to six times the salary of a member of the legislature for a budget session.

“For service rendered as a member of the legislature prior to the admission of this State into the union, the annual compensation of a member shall be deemed to have been four times the salary of a member of the legislature for a regular session for each year during his term of office, or \$4,000 per year.

**“Section 6-62. Appeal of decision of medical board.** A member who is not satisfied with the decision of the medical board may appeal the decision to the board of trustees within sixty days after receiving notification of the decision of the medical board. The board of trustees, after hearing the appeal, may refer the matter to the medical review board, whose decision shall be final and binding. The right of appeal to the board of trustees shall apply to all decisions and recommendations which the medical board is authorized to make. The provisions of sections 6C-9 to 6C-13 shall not apply to reviews or proceedings of the medical review board.

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**"Section 6-63. Election of mode of retirement allowance.** Maximum allowance: Upon retirement, any member may elect to receive the maximum retirement allowance to which he is entitled computed in accordance with the provisions described under sections 6-53, 6-55, 6-57 or 6-59 of this part and in the event of his death, there shall be paid to his beneficiary otherwise to his estate, the difference between the balance of his accumulated contributions at the time of his retirement and the retirement allowance paid or payable to him prior to death.

"In lieu of this maximum allowance, he may elect to receive his retirement allowance under any one of the optional plans described below, which shall be actuarially equivalent to the maximum allowance.

"Option 1: The member may elect to receive a lesser retirement allowance during his lifetime. At this\* retirement, there shall be established an amount of initial insurance which shall be computed on the basis of actuarial factors adopted by the board of trustees. Upon the death of the retirent, any balance remaining in the initial insurance reserve after deducting the retirement allowance paid to the retirent prior to death, shall be paid to his beneficiary, otherwise to his estate. In lieu of the lump sum balance, the beneficiary may elect to receive payment in one of the following ways: (1) an allowance for life based on the value of the balance provided that the allowance is not less than \$10 per month; or (2) cash payment in part and a reduced allowance for life based on the value of the remaining balance provided that the allowance is not less than \$10 per month.

"Option 2: The member may elect to receive a lesser retirement allowance during his lifetime and have such allowances continued after his death to his beneficiary during the lifetime of such person. In the event of death of the beneficiary prior to that of the retirent, all further payments shall cease upon the death of the retirent.

"Option 3: The member may elect to receive a lesser retirement allowance during his lifetime and have one-half of such allowance continued after his death to his beneficiary during the lifetime of such person. In the event of death of the beneficiary prior to that of the retirent, all further payments shall cease upon the death of the retirent.

"Option 4: The member may elect to receive a lesser retirement allowance during his lifetime and provide some other benefit to his beneficiary in accordance with his own specification; provided, however, that such election shall be certified by the actuary to be the actuarial equivalent of his retirement allowance and shall be approved by the board.

"Option 5: The member may elect to receive the balance of his accumulated contributions at the time of retirement in a lump sum and, during his lifetime a retirement allowance equal to the maximum retirement allowance reduced by the actuarial equivalent of these contributions. Upon the death of the retirent, all further payments shall cease. Only a member retiring for service having at least ten years of credited service or for disability may elect this mode of retirement.

"To receive benefits, the beneficiary must have been designated by the member in such form and manner as is prescribed by the board.

\* So in original

"If the retitant dies within thirty days after the effective date of retirement, instead of receiving benefits under any of the modes of retirement as provided in this section, his beneficiary shall receive benefits as if death had occurred immediately prior to retirement, less any payments made to the retitant. In the event of the death of the retitant more than thirty days but within one year after the date of retirement, his beneficiary may elect to receive either the death benefits under the mode of retirement selected, or in lieu thereof, such benefits as would have been paid had the retitant died immediately prior to retirement, less any payments which the retitant received.

"Any election of a mode of retirement allowance shall be irrevocable.

**"Section 6-65. Ordinary death benefit.** Upon the receipt of proper proofs of a member's death in service, there shall be paid to his beneficiary, otherwise to his estate, an ordinary death benefit consisting of (1) his accumulated contributions and if no pension is payable under the provisions of section 6-66, in addition thereto, (2) his contributions to the post retirement fund, and (3) an amount equal to fifty per cent of the compensation earned by him during the year immediately preceding his death if he had at least one year but not more than ten full years of credited service, which amount shall increase by five per cent of such compensation for each full year of service in excess of ten years, to a maximum of one hundred per cent of such compensation; provided that if the member had at least one year of credited service, the amount, together with his accumulated contributions shall not be less than one hundred per cent of the compensation.

"If the member was eligible for service retirement at the time of his death in service, and the death occurred after December 31, 1962, his surviving spouse, if she is his designated beneficiary, may elect to receive in lieu of any other payments provided in this section, the allowance which would have been payable if the member had retired the day prior to death and had elected to receive his retirement allowance under option 3 of section 6-63.

**"Section 6-66. Accidental death benefit.** Upon the receipt of proper proofs of a member's death by the board of trustees, there shall be paid to the member's designated beneficiary or to his estate the amount of his accumulated contributions and if, upon the receipt of evidence or proofs that the death was the natural and proximate result of an accident occurring at some definite time and place while the member was in the actual performance of duty, the board shall decide that the death was the result of an accident in the performance of duty and not caused by negligence on the part of the member, there shall be paid in lieu of the ordinary death benefits provided by the contributions of the State or county, a pension of one-half of the average final compensation of the member, (1) to his widow to continue during her widowhood; or (2) if there be no widow, or if the widow dies or remarries before any child of the deceased member shall have attained the age of eighteen years, then to his child or children under such age, divided in such manner as the board in its discretion shall determine, to continue as a joint and survivor pension of one-half his final compensation until every child dies, or attains such age; or (3) if there is no widow or child under the age of eighteen years surviving the deceased

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member, then to his dependent father or dependent mother, as the deceased member shall have nominated by written designation duly acknowledged and filed with the board, or if there is no such nomination, then to his dependent father or to his dependent mother as the board, in its discretion, shall direct to continue for life.

**“Section 6-67. Pensions offset by compensation benefits.** Any amount which may be paid or payable by the State or any county under any workmen's compensation or similar law to a member or to the dependents of a member on account of any disability or death shall be offset against and payable in lieu of any benefit payable out of funds provided by the State or county under this part on account of the same disability or death. At such time as the amounts payable under any such workmen's compensation or similar award have been paid in full, payment of the benefits to which the member or dependents of a member are otherwise entitled under this part shall be resumed in full. In the case of any lump sum workmen's compensation payment other than level payments for a period of time, the system shall obtain from the State department of labor and industrial relations, division of workmen's compensation, the level weekly or monthly amount and the related period of time which are equivalent to the actual workmen's compensation award and shall apply this amount and related period of time against system benefits as though the workmen's compensation award had been paid in this manner.

**“Section 6-68. Minimum amount.** Each retireant who has a minimum of ten years of credited service and whose service retirement allowance is less than \$30 per month, shall be paid from the minimum pension fund an amount which, together with his retirement allowance, equals the sum of \$30 per month.

**“Section 6-69. Adjustment for deficiency in accumulated contributions.** Upon retirement, the maximum retirement allowance of any member whose accumulated contributions are deficient shall be reduced by an amount which is the actuarial equivalent of the amount of the deficiency. A deficiency shall be the amount by which a member's accumulated contributions fail to equal the accumulated contributions which would be standing to his account had he contributed at full rate required by law without reduction through withdrawals or advances. Anticipated deficiencies may be repaid by the member in advance of retirement, in which case regular interest shall be computed to date payment is received in determining the amount of the deficiency.

**“Section 6-70. Post retirement allowances.** There shall be payable to each person receiving any pension, annuity or retirement allowance, a post retirement allowance which shall consist of an amount equivalent to one and one-half per cent of the monthly pension, annuity or retirement allowance as originally computed, approved and paid. This benefit shall be added to the monthly pension, annuity or retirement allowance on the first day of July in each year following June 30, 1961, as follows:

“(1) To each person receiving a pension, annuity or retirement allowance on June 30, 1961, payment of the benefit shall commence on July 1, 1961, ex-

cept that after June 30, 1963, the monthly benefits payable under this subsection shall be computed and paid on the basis of the number of years that has elapsed since the person entitled thereto first became the recipient of the pension, annuity or retirement allowance from which the benefit is derived.

“(2) To each person first receiving a pension, annuity or retirement allowance after June 30, 1961, payment of the benefit shall commence on the first of July following the calendar year in which the payment of the pension, annuity or retirement allowance is effective.

**“Section 6-71. Exemption from taxation and execution.** The right of a person to a pension, an annuity or a retirement allowance, to the return of contributions, the pension, annuity or retirement allowance itself, any optional benefit or death benefit, any other right accrued or accruing to any person under this part and the moneys in the various funds created under this part are exempted from any tax of the State and, except as in section 6-72 provided, shall not be subject to execution, garnishment or any other process and shall be unassignable except as in this part specifically provided.

**“Section 6-72. Garnishment in certain cases; procedure.** Whenever the comptroller or attorney general of the State, or any county finance director or attorney, or the head of any department, bureau, board or other agency of the State or any county finds, or has reason to believe, that any person entitled to any moneys mentioned in section 6-71 (such person being hereinafter in this section designated as the defendant) has embezzled, stolen or otherwise unlawfully taken, received, retained or failed properly to account for, any property or funds belonging, and which have not been returned or repaid, to the State or any county or any department, bureau, board, or other agency thereof, he shall promptly notify the board of trustees hereof in writing requesting the board to withhold payment of such moneys to the defendant pending the investigation hereinafter provided for and shall proceed promptly to make such investigation as he deems necessary to ascertain the facts.

“If after the investigation he finds insufficient evidence in his judgment to warrant the action hereinafter provided for, or if the investigation exonerates the defendant, he shall promptly notify the board in writing of such finding and shall withdraw the notice to withhold.

“If, however, in his judgment, the evidence warrants the action, he shall forthwith bring an action in the name of the State or county, or the department, bureau, board or other agency concerned (if it is authorized by law to sue in its own name), as the case may be, against the defendant in a court having jurisdiction of the amount of the judgment prayed for in any district or circuit, as the case may be, in which the defendant can be found or resides, or in the circuit court of the first judicial circuit, setting forth of his own knowledge or on information and belief, as the case may be, the facts of the case, including the amount of funds or the value and description of the property alleged to have been embezzled, stolen or otherwise unlawfully taken, received or retained, or not properly accounted for, naming the board as garnishee, and praying for judgment against the defendant and for the issuance of garnishment process against the board. All such courts are hereby given jurisdiction of these ac-

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tions.

"The form of the complaint and summons shall be similar, as nearly as may be, to that used in proceedings against government beneficiaries under chapter 238, and the action authorized by this section shall lie notwithstanding the fact that the claim in certain cases may be for an unliquidated amount or may sound in tort. Upon receipt of the notice, the board shall withhold the payment of the moneys to the defendant for the period and in the manner hereinafter provided. If the garnishment process hereinabove mentioned is not served upon the board within the period of sixty days after receipt by the board of the notice to withhold, or if before the expiration of the period the notice to withhold shall be withdrawn, the board shall thereupon pay such moneys to the defendant.

"If, however, the garnishment process is served upon the board within the period, it shall be unlawful for the board to pay any such moneys to the defendant or his order until the garnishment proceedings shall have been withdrawn or dismissed, or the judgment, if any, obtained against the defendant shall have been fully paid, any of which events, as the case may be, shall be certified by the court, in or before which such proceedings has been pending. The moneys so withheld from the defendant shall be deemed sequestered in the custody of the board from the time of service on the board. At any time after service upon the board, the court, upon the consent of the plaintiff or upon motion of the defendant or of the board and notice to the plaintiff, may determine whether the amount so withheld is excessive in comparison with the judgment that the plaintiff might obtain in the action, and, if so, what part thereof is a reasonable amount to be so sequestered, and may thereupon release the remainder thereof from being so sequestered.

"The provisions of chapter 238 shall be applicable, as nearly as may be, to garnishment proceedings authorized by this section, as to certification of the judgment to the garnishee, payment of judgment, and other matters not specifically provided for in this section.

**"Section 6-73. Named beneficiaries by active members; effect of marriage, divorce, or death.** "All nominations by written designation of beneficiaries shall become null and void when: (1) the beneficiary predeceases the member; (2) the member is divorced from the beneficiary; or (3) the member is unmarried, and subsequently marries. Any of the above events shall operate as a complete revocation of such designation and all benefits payable by reason of the death of the member shall be payable to his legal representatives unless, after the death, divorce or marriage, he makes other provision in a written designation duly executed and filed with the board of trustees.

**"Section 6-74. Withholding of income taxes.** "A retired member, if he consents in writing, may have withheld from his pension, annuity, or retirement allowance payment an equivalent percentage of such payment as will in the aggregate approximate such member's federal income tax liability as would result from such pension, annuity, or retirement allowance within the meaning of the United States Internal Revenue Code; payment of such taxes as withheld shall be the liability of the system. The board of trustees shall promulgate

rules and regulations to administer the purposes of this section.

**"Section 6-74.1. Withholding of dues and insurance premiums.** A retired member, if he requests in writing, may have withheld from his pension, annuity or retirement allowance, payments to employee organizations for dues and insurance premiums.

**"Section 6-75. Rights of members separated from service.** "(a) Any member who ceases to be an employee shall, upon completion of such forms as are prescribed by the board of trustees, be paid all his accumulated contributions and his membership shall thereupon terminate, provided that interest shall not be credited to an individual's account nor shall his membership continue after the fourth full year following the calendar year in which his employment terminates.

"(b) Subsection (a) of this section notwithstanding, any member having five or more years of credited service who ceases to be an employee may establish a vested benefit status by completing within four calendar years following the calendar year in which his employment terminates, such forms as are prescribed by the board for this purpose.

"(c) Any member who establishes a vested benefit status shall be eligible for the service retirement benefit in effect at the time of his separation from service, payable in accordance with the provisions relating thereto.

"(d) In case of the death of any former member after the termination of service, his accumulated contributions shall be payable to his estate or to such person as he has nominated by written designation duly executed and filed with the board.

"(e) After July 1, 1961, there shall be included in any payment of accumulated contributions made pursuant to this section, the sums contributed by the member to the post retirement fund.

**"Section 6-75.1. Return to service of a member who has vested benefit status.** If a former member who has established vested benefit status as provided in section 6-75 returns to service before his retirement, he shall again become a member and shall contribute for membership service as provided by the law in effect during his second period of membership. In order to become eligible for any benefit in addition to his vested benefit, he must fulfill the membership service requirements for such benefit through membership service after again becoming a member in addition to meeting any other eligibility requirements established for such benefit. The benefit to which he has a vested right shall not be changed but whatever benefit accrued from his second period of membership shall be added to his vested benefit to comprise his retirement allowance. If he again leaves service before retiring and does not withdraw his accumulated contributions, his vested benefit shall consist of the combined retirement allowance.

#### **"D. ADMINISTRATION - FINANCING**

**"Section 6-76. Payment of existing pensions.** "(a) The pensions of all teachers on the pension rolls of the retirement fund for pensioning retired

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teachers on January 1, 1926, shall be continued and paid from the pension accumulation fund at the rates at which they were paid prior to that date.

“(b) The pensions of all other persons retired prior to April 22, 1925, and granted pensions on account of service for the Territory shall, if they were in force on June 30, 1925, be continued and paid from the pension accumulation fund. Any additional amount required to continue such pensions shall be provided by an increase in the accrued liability contribution otherwise payable to the pension accumulation fund.

“(c) The administration and payment of all other pensions provided by the legislature and the pensions and allowances similarly provided for veterans of the Hawaii guard shall be the responsibility of the system from and after June 5, 1953. All sums required for these purposes shall be provided by appropriation to the system.

**“Section 6-77. Classification of members.** The board of trustees shall classify each member in one of the following groups:

“Group 1. General employees of the State, including administrative, clerical, professional and technical workers, mechanics, laborers and all others not otherwise classified;

“Group 2. Teachers, including all teachers regularly engaged in public education whose salaries are wholly or partly paid by the State;

“Group 3. General employees of the counties, including administrative, clerical, professional and technical workers, mechanics, laborers and all others not otherwise classified;

“Group 4. Policemen and firemen in the employ of the counties; or in any other group which may be recommended by the actuary on the basis of service and mortality experience and approved by the board, to cover any part of any group or groups previously created or any additional class of employees.

**“Section 6-78. Records.** The board of trustees shall keep a record of all of its proceedings which record shall be open to public inspection. It shall publish annually a report showing in detail the fiscal transactions of the system for the year ending the preceding June 30, the amount of the accumulated cash and securities of the system and of an actuarial valuation of the assets and liabilities of the system. The board shall submit the report to the governor and shall furnish copies thereof to the heads of the various departments of the State and county for their use and the use of the members employed therein.

**“Section 6-79. Actuarial data.** The board of trustees shall keep in convenient form such data as shall be necessary for actuarial valuation of the various funds of the system and for checking the experience of the system.

**“Section 6-81. Actuarial investigations, valuations.** At least once in each five-year period, commencing with the year 1929, the actuary shall make an actuarial investigation of the experience of the system and shall recommend to the board of trustees the adoption for actuarial valuation of the system of such mortality, service and other tables as shall be deemed appropriate and necessary.

“On the basis of such tables as the board shall adopt, the actuary shall

make an annual valuation of the assets and liabilities of the funds of the system.

**“Section 6-82. Correction of errors.** Should any change or error in records result in any member, retirant, or beneficiary receiving from the system more or less than he would have been entitled to receive had the records been correct, the board of trustees shall correct the error and as far as practicable, shall adjust the payments in such a manner that the actuarial equivalent of the benefit to which the member, retirant, or beneficiary was correctly entitled shall be paid.

**“Section 6-83. Interest.** The board of trustees shall annually allow regular interest on the mean amount for the preceding year in the annuity savings fund and the post retirement fund. The amounts so allowed shall be credited annually thereto by the board from interest and other earnings on the moneys of the system. Any additional amount required to meet regular interest on the mean amount for the preceding year in the pension accumulation fund shall be paid by the State and counties and any excess of earnings over such amount required shall be deductible from the amounts to be contributed by the State and counties.

**“Section 6-84. Cash for meeting disbursements.** For the purpose of meeting disbursements for retirement allowances, pensions, annuities and other payments, there may be kept available cash, not exceeding ten per cent of the total amount in the several funds of the system, on deposit in any one or more banks or trust companies of the State, organized under the laws thereof or of the United States. The sum on deposit in any one bank or trust company shall not exceed twenty-five per cent of the paid up capital and surplus of the bank or trust company.

**“Section 6-85. Funds of the system.** The assets of the system are assigned to the following funds hereby created: (1) the annuity savings fund; (2) the pension accumulation fund; (3) the post retirement fund; (4) the expense fund; and (5) the minimum pension fund.

**“Section 6-86. Board trustees of funds.** The board of trustees shall be trustees of the several funds of the system and may invest and reinvest such funds as authorized by this part and by law from time to time provided. Subject to the terms, conditions, limitations and restrictions of this part and by law from time to time provided, the trustees may hold, purchase, sell, assign, transfer or dispose of any of the securities and investments in which any of the funds created herein shall have been invested, as well as of the proceeds of the investments and any moneys belonging to the funds.

**“Section 6-87. Custodian of the funds.** The State director of finance shall be the custodian of the several funds. All payment from the funds shall be made by him only upon vouchers signed by the chairman and countersigned by such other person as may be designated by the board of trustees.

**“Section 6-88. Annuity savings fund; annual statement.** The annuity savings fund shall be comprised of the members' accumulated contributions. A

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member shall be mailed an annual statement showing his accumulated contributions upon request therefor.

**"Section 6-89. Payments from annuity savings fund.** Any lump sum payment of a member's contributions shall be charged against the annuity savings fund. When a member retires, his accumulated contributions shall be transferred from the annuity savings fund to the pension accumulation fund.

**"Section 6-90. Pension accumulation fund.** The pension accumulation fund shall be the fund in which shall be accumulated all contributions made by the State and any county and all income from investments and from which shall be paid all benefits other than those benefits which are specifically payable from other funds.

**"Section 6-91. Post retirement fund.** The post retirement fund shall be the fund to which shall be credited all moneys contributed by the members and provided by the State and counties to pay the post retirement allowances and from which all post retirement allowances shall be paid in accordance with section 6-70. Annually, the board of trustees shall determine the amount of money that the State and counties shall contribute to this fund on the basis of one-half of one per cent of the aggregate annual amount of compensation as of March 31 of the preceding year of all members who were employees of the State or counties, as the case may be, as determined by the annual valuation of the actuary. Such amount shall be prorated among the State and the respective counties upon the basis of the payrolls as aforesaid and each shall pay its pro-rata share thereof.

**"Section 6-92. Expense fund.** The expense fund shall be the fund to which shall be credited all money provided by the State and counties to pay the administration expenses of the system, and from which shall be paid all the expenses necessary in connection with the administration and operation of the system. Biennially, the board of trustees shall estimate the amount of money necessary to be paid into the expense fund during the ensuing biennium to provide for the expense of operation of the system. The expense shall be prorated among the State and the respective counties upon the basis of the total payroll of the employees of each who are included in the system, and each shall pay its prorata share thereof.

**"Section 6-93. Minimum pension fund.** The minimum pension fund shall be the fund from which the payments provided in section 6-68 shall be made. Appropriations made by the legislature for the purposes of section 6-68 shall be credited to the fund.

**"Section 6-94. County contributions to minimum pension fund.** The board of trustees shall certify to the councils of the several counties, from time to time as changes may occur, a list of retirants of the system who are retired employees of the respective counties and who were in the service of the respective counties for a total period of not less than ten years and who are receiving a service retirement allowance of less than \$30 per month, together with the amount of service retirement allowance the retirants are receiving, and a total

of the monthly additional sums necessary to increase the payments to \$30 per month.

"The councils of the several counties, upon certification to them by the board of the amounts necessary to meet the payments to their retired employees provided under section 6-68 shall forthwith remit the amount thereof to the director of finance who shall credit the amounts as received into the minimum pension fund. Remittances shall be made not later than December 30 of each year and shall be sufficient for twelve months' payments to the retirants certified to the council. Remittances for any certified additions to lists shall be made forthwith, upon receipt of the certified additions for which remittances have already been made by the council for the list of retirants to which the additions are certified.

**"Section 6-96. Investments.** Investments may be made in:

"(1) Real estate loans and mortgages. Obligations (as defined in section 181-276) of any of the following classes:

"(A) Obligations secured by mortgages of non-profit corporations desiring to build multi-rental units (ten units or more) subject to control of the government for occupancy by families displaced as a result of government action.

"(B) Obligations secured by mortgages insured by the federal housing administration.

"(C) Obligations for the repayment of home loans made under the Servicemen's Readjustment Act of 1944 or under Title II of the National Housing Act.

"(D) Other obligations secured by first mortgages on unencumbered improved real estate owned in fee simple, provided that the amount of the obligation shall not at the time investment is made therein exceed sixty and six-tenths per cent of the value of the real estate mortgaged to secure it, except that if the obligation is for an amount of \$50,000 or less, the amount of the obligation shall not exceed seventy-five per cent of the real estate mortgaged to secure it. Real estate shall not be deemed to be encumbered within the meaning of the subparagraph by reason of the existence of any of the restrictions, charges or claims described in section 181-283(a).

"(E) Other obligations secured by first mortgages of leasehold interests in improved real estate, provided that (i) each such leasehold interest at such time shall have a current term extending at least two years beyond the stated maturity of the obligation it secures, and (ii) the amount of the obligation shall not at the time investment is made therein exceed seventy per cent of the value of the respective improvements, except that if the obligation is for an amount of \$50,000 or less, the amount of the obligation shall not exceed seventy-five per cent of the value of the respective improvements.

"The board of trustees may retain such real estate (including leasehold interests therein) as it may acquire by foreclosure of mortgages or in enforcement of security, or as may be conveyed to it in satisfaction of debts previously contracted, provided that (1) all such real estate (other than leasehold interests) shall be sold within five years after acquiring the same (subject to extension by the governor for additional periods not exceeding five years each) and

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(2) all such leasehold interests shall be sold within one year after acquiring the same (subject to extension by the governor for additional periods not exceeding one year each).

“(2) Government obligations, etc. Obligations of any of the following classes:

“(A) Obligations issued or guaranteed as to principal and interest by the United States or by any state thereof, or by the Dominion of Canada or by any province thereof, or by any municipal or political subdivision or school district of any of the foregoing, provided that principal of and interest on such obligations are payable in currency of the United States.

“(B) Revenue bonds (whether or not permitted by any other provision hereof) of the State or any municipal or political subdivision thereof (including the board of water supply of the city and county of Honolulu), and street or improvement district bonds of any district or project in the State.

“(C) Obligations issued or guaranteed by any federal home loan bank (including consolidated federal home loan bank obligations), the home owner's loan corporation, or the federal national mortgage association.

“(3) Corporate obligations. Obligations of any corporation created or existing under the laws of the United States or of any state or district thereof, and qualified under any of the following:

“(A) Fixed interest-bearing obligations, if the average annual net earnings of the obligor or guarantor available for its fixed charges for a period of five fiscal years next preceding the date of the investment have equalled at least one hundred and fifty per cent of its average annual fixed charges applicable to the period and if its net earnings for the last year of the period have equalled at least one hundred and fifty per cent of its fixed charges for such year.

“(B) Fixed interest-bearing obligations secured by assignment of a lease or leases, or the rentals payable thereunder, of real or personal property (including, without limitation, charters of vessels) to a corporation created or existing under the laws of the United States or of any state or district thereof, provided that (i) the fixed rentals assigned shall be sufficient to repay the principal of and interest on the obligation within the unexpired term of the lease, exclusive of the term which may be provided by any option of renewal, and (ii) the net earnings of the corporation shall meet the requirements described in clause (A) above.

“(C) Fixed interest-bearing obligations secured by rights or assignment of rights under a contract (including, without limitation, a contract for the sale of products, materials, supplies or other property, or for the furnishing of transportation or services) with a corporation created or existing under the laws of the United States or of any state or district thereof, provided that (i) the rights securing such obligations shall include the right to receive payments sufficient to repay the principal of and interest on the obligations within the unexpired term of the contract, and (ii) the net earnings of the corporation shall meet the requirements described in clause (A) above.

“As used in this subsection, the terms ‘fixed charges’ and ‘net earnings available for fixed charges’ shall have the meanings and application ascribed

thereto in sections 181-276 and 181-277.

“(4) Preferred and common stocks. Shares of preferred or common stock of any corporation created or existing under the laws of the United States or of any state or district thereof, provided that the book value of the total investment in such stocks shall at no time exceed forty per cent of the total book value of all investments of the system.

“(5) Obligations eligible by law for purchase in the open market by federal reserve banks.

“(6) Obligations issued or guaranteed by the International Bank for Reconstruction and Development or by the Inter-American Development Bank.

“(7) Obligations secured by collateral consisting of any of the securities or stock listed above and worth, at the time the investment is made, at least fifteen per cent more than the amount of the respective obligations.

“(8) Other securities. Securities and stock in which in the informed opinion of the board of trustees it is prudent to invest funds of the system, whether or not the securities or stock are expressly authorized by or qualify under the foregoing paragraphs, and notwithstanding any limitation of any of the foregoing subsections (including paragraph (4)); provided that the total book value of investments under this paragraph shall at no time exceed ten per cent of the total book value of all investments of the system.

**“Section 6-97. Service charges.** The board of trustees may pay out of any of the several funds held for investment, a reasonable amount to any person for servicing and handling of mortgages purchased by the board or for supplying investment advisory or consultative services; and to meet such other costs incident to the prudent investment of system funds as the board may approve.

**“Section 6-98. Power to make agreements to protect securities on reorganization or otherwise.** Anything in this part to the contrary notwithstanding, the board of trustees may enter into an agreement or agreements for the purpose of protecting the interests of the system in securities held by the system, or for the purpose of reorganization of a corporation which issued securities so held, and deposit of securities thereunder with a committee or depositories appointed under the agreement, but the agreement and deposit must first be approved in writing by a majority of the members of the board with a statement of their reasons for such approval. The board may accept corporate stock or bonds or other securities, which may be distributed pursuant to any such agreement approved as aforesaid or to any plan or reorganization approved in writing by a majority of the members of the board with a statement of their reasons for such approval. But if securities so received consist in whole or in part of stock in any corporation or of bonds or obligations which are not secured by adequate collateral security or where less than two-thirds of the total value of the required collateral security therefor consist of collateral other than stock, then any stock and any such bond or obligation so received shall be disposed of within five years from the time of acquisition or before expiration of such further period or periods of time as may be fixed in writing for that purpose by the governor.

## ACT 110

**"Section 6-99. Determination of employer normal and accrued liability contributions.** "(a) On a basis of regular interest and of such mortality and other tables as are adopted by the board of trustees, the actuary engaged by the board shall determine the normal cost for the year beginning July 1, 1964, the unfunded accrued liability as of that date, and the accrued liability contribution for the year:

"(1) The normal cost for the year beginning July 1, 1964, shall be the amount determined by applying the normal contribution rate for the year to the aggregate annual amount of compensation as of March 31, 1964. The normal contribution rate for the year beginning July 1, 1964, shall be the constant percentage of the compensation of the average new entrant, which, if contributed on the basis of his compensation throughout his prospective period of service and added to his prospective contribution, will be sufficient to provide for the payment of any benefits payable on his account.

"(2) The unfunded accrued liability as of July 1, 1964, shall be determined by subtracting from the present value of future benefits payable on account of present members and beneficiaries the sum of the present value of future normal costs payable with respect to present members, the present value of future contributions payable by present members, and the applicable assets.

"(3) The accrued liability contribution for the year beginning July 1, 1964, shall be the level annual payment required to liquidate the unfunded accrued liability over a period of fifty years beginning on that date.

"(b) The actuary shall, through successive valuations, recalculate the normal cost for each year after June 30, 1965, the unfunded accrued liability as of the beginning of such year, and the accrued liability contribution for the year:

"(1) The normal cost for each such year shall be the amount determined by applying the normal contribution rate for the year to the aggregate annual amount of compensation as of March 31 of the preceding year. The normal contribution rate for any year after June 30, 1965, shall be determined by subtracting from the present value of future benefits payable on account of members and beneficiaries as of the beginning of the year the sum of the present value of future contributions payable by such members, the unfunded accrued liability and the applicable assets, and spreading the remainder over the prospective service of the members as a constant percentage of their future earnings.

"(2) The unfunded accrued liability as of the beginning of any such year shall be determined by adding to the previous unfunded accrued liability interest for one year and subtracting from the total the sum of any contribution made in the previous year in excess of the normal cost for that year plus interest to the end of the year. The unfunded accrued liability as of the beginning of a year may, at the discretion of the board, be increased by any additional liability with respect to service rendered in previous years that may have been created since the determination of the unfunded accrued liability as of July 1, 1964.

"(3) The accrued liability contribution for such year shall be the level annual payment required to liquidate the unfunded accrued liability as of the be-

ginning of the year over the remainder of the period of fifty years which began July 1, 1964.

“(c) Notwithstanding any other provision of this chapter to the contrary, the accrued liability on account of Act 175, Session Laws of 1961, may be liquidated, with the approval of the board, by crediting thereto the unobligated balance of the reserve for future interest deficits accumulated through appropriations heretofore made by the State and by future earnings on system investments, exclusive of capital gains taken prior to July 1, 1964, in excess of the regular rate until such time as such accrued liability with regular interest has been fully paid. After June 30, 1964, the earnings on investments shall include capital gains, whether realized or unrealized in the value of the retirement system assets as taken from time to time thereafter by the board.

**“Section 6-100. Amount of annual contributions by the State and counties.** The contribution payable in each year to the pension accumulation fund by the State and by each county, respectively, shall be determined by allocating the sum of the normal cost and the accrued liability contribution in the same proportion as the aggregate annual amount of compensation of State and county members as of March 31 of the year preceding the appropriation of said contribution.

**“Section 6-101. State appropriations for system.** Before October 2 in every year, the board of trustees shall certify to the governor the appropriation necessary to pay to the various funds of the system the amounts payable by the State under this part for the fiscal year, beginning July 1 of the year next following, and items of appropriation providing such amounts shall be included in the general appropriation bill when it is presented to the legislature for final passage.

**“Section 6-102. Contributions by certain State agencies.** Each of the departments and agencies hereinafter described shall reimburse the State for the respective amounts payable by the State to cover the liability of the State to the various funds of the system on account of the employees in such departments and agencies. This provision shall apply to any department or agency of the State which is authorized by law to fix, regulate and collect rents, rates, fees or charges of any nature. The provisions herein shall not apply as to rental units receiving federal subsidies until approval has been obtained from the appropriate federal agency.

“Whenever any department or agency of the State receives federal-aid funds which may be expended for the purpose of covering the liability of the State to the various funds of the system, the department or agency shall set aside a portion of these funds sufficient to cover the amount of the State's liability to the various funds of the system on account of the employees in the department or agency whose compensation is paid in whole or part from federal funds.

“The amount payable by each department or agency of the State covered by this section shall be determined at least quarterly by the department of budget and finance on the basis of the payroll of the employees of the department

## ACT 110

or agency who are members of the system in the same manner the allocation of employer contributions is determined in section 6-100. The comptroller of the State or any department or agency having control of its own funds shall, upon information furnished by the department of budget and finance, issue a warrant for the proper amount to the system, charging the same to the appropriate fund. The system shall place all such sums to the credit of the State as part payment of the State's contributions to the various\* of the system.

**"Section 6-103. Certification and payment of county contributions to system.** Except as otherwise provided in section 6-94, the board of trustees shall certify annually to the councils of each county and to the director of finance and comptroller of the State the amount due from such county on account of its employees who are members of the system, segregated between the respective funds of the county out of which the compensation the employees is paid and the director of finance shall pay the amount to the board, and the board shall credit the amount to the appropriate fund or funds of the system. The payments shall be made out of the special fund for the county hereinafter provided for, upon warrants of the comptroller. The councils of each county shall include in its annual budget for the fixing of the real property tax rate for the county, under the item designation as '(5) county contributions to the employees' retirement system of the State', the amount certified to it by the board as due from the county for the year, including in the budget proper deductions from or additions to such amount as hereinafter provided and offsetting against such amount, in the budget, the amount of other funds, if any, by the board estimated to be available for and intended to be applied on account of the total amount due from the county. The amount shall be paid by the county into the State treasury before April 2 of the calendar year out of county funds available for the payment of payrolls, on the basis of the segregation certified to the county by the board, and the State director of finance shall place the amount in a special fund for the county. If the amount or any portion thereof is not paid by the county before April 2, the director of finance shall retain out of the real property tax money collected for the year a sum equal to the amount or portion thereof not so paid. All the moneys retained and collected by the director of finance shall be deposited in a special fund for such county. Payments on account of the obligations of each county shall be made out of the fund. The amount of any excess or deficiency in the fund in meeting the obligations shall be subtracted from or added to, as the case may be, the amount due from the county for the succeeding year. The comptroller and director of finance shall, in the month of January of each year, transmit to the treasurer or director of finance of each county a joint statement showing the amounts of receipts by and payments out of the special fund for the county and the amount of the excess or deficiency, if any.

**"Section 6-104. Guaranty.** Regular interest charges payable, the creation and maintenance of reserves in the pension accumulation fund and the maintenance of annuity reserves and pension reserves as provided for the payment of all pensions, annuities, retirement allowances, refunds and other benefits granted under this part, and all expenses in connection with the administra-

\* So in original

tion and operation of the system are made obligations of the State and of the respective counties. All income, interest and dividends derived from deposits and investments authorized by this part shall be used for the payment of such obligations. After June 30, 1964, the income shall include capital gains or losses, whether realized or unrealized, in the value of the retirement system assets as taken from time to time thereafter by the board of trustees. Any amount derived therefrom, which, when combined with appropriation requirements as certified by the board under the provisions of this part, would exceed the amount required to provide for such obligations, may be used to reduce the appropriations otherwise required. It is hereby declared that any and all sums contributed or paid from whatever source to the system for the funds created by this part, and all funds of the system including any and all interest and earnings of the same, are and shall be held in trust by the board for the exclusive use and benefit of the system and for the members of the system and shall not be subject to appropriation for any other purpose whatsoever.

#### **"E. SPECIAL BENEFITS FOR MEMBERS IN MILITARY SERVICE**

**"Section 6-110. Definitions.** As used in sections 6-110 to 6-121:

"Servicemen's Act": includes section 6-111 and any other act extending benefits similar to those of the section to other classes of persons in essential war services.

"Service member": a member of the system who is entitled to the benefits provided by the Servicemen's Act.

"Service in the armed forces": active service (1) in military service, as defined in section 6-111, or (2) in any other essential war service covered by the Servicemen's Act.

**"Section 6-111. Service credit; payment of contributions.** Every active member of the system who leaves his regular position or employment for the purpose of entering the military service (which term as used in this section shall include national guard, air, naval and coast guard services) of the United States after June 24, 1950, shall, so long as he remains in military service, be allowed service credit in the system to the same extent as if he were continuously in the active service of the State or a county, as the case may be, in the position which he held immediately prior to his entry into military service.

"The State or county, as the case may be, in whose service the member was employed immediately prior to his induction into military service shall, so long as he remains in military service, pay all contributions both to the pension accumulation fund and to the annuity savings fund, and any other payment to the system, which would otherwise be payable to the system by the State, the county, or the member if he were continuously in the active service of the State or county, as the case may be.

**"Section 6-112. Benefits and conditions applicable to service member.**

All service members shall by reason of their retention of membership in the system under the Servicemen's Act, have the status, be entitled to the benefits, and be subject to the conditions and limitations set forth in sections 6-110 to 6-121.

## **ACT 110**

**“Section 6-113. Service retirement benefit.** If a service member has terminated his service with the armed forces and otherwise complies with the requirements of section 6-52, he shall be entitled to a service retirement benefit to be computed as provided in section 6-53, including and taking into consideration the service credit preserved and allowed to him by the Servicemen’s Act.

**“Section 6-114. Ordinary disability retirement benefit.** If a service member terminates his service in the armed forces and complies with and fulfills the requirements of section 6-54, including and taking into consideration the service credit preserved and allowed to him under the Servicemen’s Act, he shall be entitled to the ordinary disability retirement benefit prescribed in section 6-54, computed as provided in section 6-55, including and taking into consideration the service credit preserved and allowed to him under the Servicemen’s Act.

**“Section 6-115. Accidental disability benefit.** Any member who has been incapacitated for duty by accident, act of war, or otherwise, occurring while he is not in the service of the State or any county, shall not by reason of such incapacity be entitled to the accidental disability benefit provided for by sections 6-56 and 6-58, but in such event if he can qualify for an ordinary disability retirement benefit as hereinabove provided, he shall receive the ordinary disability retirement benefit.

**“Section 6-116. Ordinary death benefit.** If any service member dies, the ordinary death benefit provided in section 6-65 shall be paid to his estate or his designated beneficiary.

**“Section 6-117. Accidental death benefit.** The estate or designated beneficiary of a service member who dies by accident, act of war, or other cause, occurring while he is not in the service of the State or any county, shall not be entitled to the accidental death benefit provided by section 6-66; however, the estate or the beneficiary shall be entitled to the ordinary death benefit as provided in section 6-116.

**“Section 6-118. Return of contributions.** Any service member may resign from the system at any time, if he so chooses, and upon such resignation he shall be entitled to the return of his accumulated contributions as provided in section 6-75, including any amount to his credit in the annuity savings fund which shall have been contributed by the State or any county under the Servicemen’s Act, but he shall cease to be entitled to any of the benefits of the Servicemen’s Act or of sections 6-110 to 6-121, except the return of accumulated contributions, upon the effective date of his resignation.

**“Section 6-119. Duration of service member’s status.** A service member shall continue to be entitled to the benefits of the Servicemen’s Act until the expiration of ninety days after the termination of his service in the armed forces unless he shall within the ninety-day period have reentered the service of the State or any county, in a position which constitutes him an employee as defined by section 6-20, in which latter event his status thenceforth shall be the same as that of any other regular member of the system in the service without

any loss of the service credit preserved and allowed to him under the Servicemen's Act, or unless he shall have resigned before the expiration of the ninety-day period and waived his right to such reemployment. In the event he fails to reenter the service of the State or any county within the ninety-day period, and shall not have resigned from the system and waived his right to reemployment, his status thereafter shall be the same as that of a regular member who terminated his employment as such an employee and such termination shall be deemed to have occurred on the ninetieth day after the termination of his service in the armed forces.

"If a service member voluntarily prolongs his period of military service beyond the expiration date of his enlistment or the period for which he was inducted or the period for which he was ordered to active duty, he shall be deemed, for the purpose of this section, to have terminated his service in the armed forces upon the ninetieth day following the date of expiration of such enlistment or the period for which he was inducted or the period for which he was ordered to active duty, if such extension is for ninety days or more, or upon the actual date of termination, if the extension is for less than ninety days.

**"Section 6-120. Computation of compensation earned or earnable.** In any case where it shall become necessary, for the purposes of sections 6-110 to 6-121, to determine the compensation or average compensation of a member of the system during any period of his service in the armed forces, or during any period (not exceeding ninety days) immediately thereafter while he was not an employee as defined in section 6-20, his rate of compensation during any such period shall, for the purposes of sections 6-110 to 6-121, be deemed to have been that which he was receiving as such an employee immediately prior to the inception of his service in the armed forces without any of the additional increments for length of service provided for by any classification or other law.

**"Section 6-121. Right of amendment or repeal reserved; retroactive effect.** The provisions of sections 6-110 to 6-121 shall not be deemed to constitute a contract with any service member and the legislature reserves the right to amend or repeal the sections at any time as to any benefit or allowance not accrued prior to the time of the amendment or repeal.

"The sections shall apply retroactively, as well as prospectively, to all persons entitled to the benefits of the Servicemen's Act."

SECTION 2. Part VII of Chapter 6, Revised Laws of Hawaii 1955, as amended, is hereby repealed.

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

## **ACT 111**

**SECTION 4.** Any Act relating to the Employees' Retirement System passed by the Fifth Legislature during the Regular Session of 1969 shall be effective according to its terms, notwithstanding the passage of this Act and any provision contained in this Act which is contrary to such Act shall be amended to conform with such Act, regardless of the date of adoption or the effective date of any such Act. The revisor of statutes is authorized to disregard any sections in the Hawaii Revised Statutes, or the Revised Laws of Hawaii, as amended, affected by any such Act and to incorporate the terms of such Act or Acts into their appropriate place in this Act.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved June 23, 1969.)

## **ACT 111**

**H. B. NO. 30**

A Bill for an Act Relating to State Scholarships at the University of Hawaii.

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

**SECTION 1.** Section 304-15, Hawaii Revised Statutes, is amended to read as follows:

"The board of regents shall each year award scholarships to students in such necessitous circumstances that in the judgment of the university they would otherwise be unable to attend the university or a community college. To qualify for such a scholarship, a student must be a bona fide resident of the State for the five consecutive years immediately preceding the term for which a scholarship is desired. The board of regents may adopt the necessary rules and regulations defining bona fide resident."

**SECTION 2.** Section 304-16, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 304-16. Recipients of scholarships exempted from what fees.** The students to whom scholarships are awarded shall be exempted only from the payment of tuition fees and general or registration fees at the university or the community college as the case may be. They are not to be exempted, however, from the payment of such other special fees as the university or the community college may exact for the use of laboratories, special equipment, or participation in student activities and privileges."

**SECTION 3.** Section 304-17, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 304-17. Number and allocation of scholarships.** (a) No more than four hundred holders of state scholarships shall be attending the university at any one time. Each scholarship shall be granted for the period of one academic year, and shall be renewed each year for all recipients who maintain a satisfactory standard of scholarship and deportment. No student shall receive state scholarship grants for a period longer than four academic years while pursuing a bachelor's degree, associate degree or a certificate as the case may

be. Of the four hundred scholarships which shall be distributed among the several counties, the maximum number available in any one county shall be as follows:

Hawaii county .....	104
Maui county .....	74
City and County of Honolulu.....	148
Kauai county .....	74

(b) No more than two hundred holders of state scholarships shall be attending the several colleges of the community college system at any one time. Such scholarships shall be available to students of any county and shall be awarded at the discretion of the university. Each scholarship shall be granted for the period of one academic year, and shall be renewed each year for all recipients who maintain a satisfactory standard of scholarship and deportment. No student shall receive state scholarship grants for a period longer than two academic years while enrolled in the community college system."

SECTION 4. Section 304-18, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 304-18. Reallocation of scholarships.** The maximum number of scholarships among the several counties as specified in section 304-17(a) may be changed by reallocating scholarships from a county in which there are fewer qualified applicants than the number of available scholarships to a county in which there are more qualified applicants than the number of available scholarships."

SECTION 5. This Act shall take effect upon its approval.

(Approved June 24, 1969.)

A Bill for an Act Relating to Education as Condition for Paroles.

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

SECTION 1. Section 83-65.5, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

**"Section 83-65.5. Education as condition for paroles.** The board of paroles and pardons may require, as a condition of parole, that a parolee further his education and training by taking occupational training courses or general education courses, or both, whenever such courses are deemed by the board to be capable of making a substantial contribution to the rehabilitation of the parolee. The board may in its discretion designate the educational institution or institutions he is to attend and may pay the cost of tuition and other fees for said courses."

SECTION 2. Statutory material to be repealed is bracketed. New mate-

## **ACT 113**

rial is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, and the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 24, 1969.)

## **ACT 113**

**H. B. NO. 577**

A Bill for an Act Relating to Registration of Electors.

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

**SECTION 1.** Section 11-4, Hawaii Revised Statutes, is amended in the following respects:

1. By deleting item 7 in the AFFIDAVIT ON APPLICATION FOR REGISTRATION; and
2. By deleting item (6) in the third paragraph.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 24, 1969.)

## **ACT 114**

**H. B. NO. 626**

A Bill for an Act Amending the Hawaiian Homes Commission Act, 1920, as Amended.

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

**SECTION 1.** The first sentence of the second paragraph of Section 213(b) of the Hawaiian Homes Commission Act, 1920, as amended, is hereby further amended as follows:

"Subject to repeal or amendment of this authorization and to the recall, by the legislature, of the moneys herein loaned, thirty per cent of the state receipts derived from the leasing of cultivated sugar-cane lands under any other provisions of law or from water licenses, over and above the present ceiling in the Hawaiian home-loan fund of \$5,000,000, which additional amount is hereinafter called 'Additional Receipts' shall be deposited into a special revolving account within the Hawaiian home-loan fund until the aggregate amount of the Additional Receipts so deposited (including the principal and advances

\* Edited accordingly

## ACT 116

made from the Additional Receipts but not from moneys borrowed under (6) hereinbelow, and all transfers which have been made from the Additional Receipts to other funds for which this fund has not been or need not be reimbursed) shall equal \$2,500,000."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 24, 1969.)

## ACT 115

H. B. NO. 1000

A Bill for an Act Relating to the Seed Program at the College of Tropical Agriculture, University of Hawaii, and Making an Appropriation Therefor:

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

SECTION 1. There is hereby appropriated out of the general revenues of the State of Hawaii the sum of \$12,800, or so much thereof as may be necessary, to maintain and operate the seed increase and distribution program at the College of Tropical Agriculture, University of Hawaii.

SECTION 2. The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

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

(Approved June 24, 1969.)

## ACT 116

H. B. NO. 1218

A Bill for an Act Relating to Educational Assistants.

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

SECTION 1. Chapter 297, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be appropriately numbered and to read as follows:

**"Section 297- . Educational assistants.** All educational assistants employed in the department shall be employed under the provisions of chapter 76 and shall have their compensation fixed in accordance with chapter 77; provided that:

(1) the monthly rate of compensation so determined shall be multiplied by 10 and then divided by 12 and the resulting amount shall be the employee's monthly salary payable over a twelve-month period;

(2) weekly working hours for educational assistants shall be established in the same manner as working hours for teachers; and

(3) educational assistants shall have the same vacation and sick leave allowances as teachers."

SECTION 2. No employee of the department hired as an educational assistant prior to the effective date of this Act and still so employed for the 1969-

## ACT 117

1970 school year shall suffer any loss of salary, seniority or prior service credit, vacation or sick leave, or other employee benefit or privilege as a consequence of this Act and each such employee shall be appointed to a Civil Service position without the necessity of examination.

SECTION 3. This Act shall take effect on July 1, 1969.

(Approved June 24, 1969.)

## ACT 117

S. B. NO. 18

A Bill for an Act Relating to Water Pollution Control.

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

SECTION 1. Chapter 321, Hawaii Revised Statutes, is amended by adding a new section to be appropriately numbered and to read as follows:

**“Sec. 321- . Construction grants.** The director of health is authorized to make grants of state funds to any state or county agency for the construction of necessary treatment works to prevent the discharge of untreated or inadequately treated sewage or other wastes into any state waters. He shall coordinate the granting of state funds with available federal funds for the same purpose. No grant shall be made for any project unless (1) the project conforms with the state water pollution control plan, (2) the project is certified by the director as entitled to priority over other eligible projects on the basis of financial as well as water pollution control needs, (3) the application for the grant contains reasonable assurances that the applicant will provide for the proper and efficient operation and maintenance of the treatment works after its construction, and (4) the applicant agrees to pay at least twenty per cent of the estimated reasonable cost of the project. The basic state grant shall be twenty-five per cent of the estimated reasonable cost of the project. Any additional state funds granted for any eligible project shall be reimbursable to the State from future federal funds made available for construction of necessary treatment works.”

SECTION 2. The director of finance is authorized to issue general obligation bonds of the State in the amount of \$1,500,000 for the fiscal year ending June 30, 1970. The amount derived from the issuance of bonds shall be used only for the purpose of fulfilling the requirement of matching funds to be advanced by the State.

The director of finance is authorized to advance funds when required from the general fund to meet reimbursable costs incurred while general obligation bonds are being issued or while amounts payable out of federal funds have not been received. All amounts advanced from the general fund shall be reimbursed upon receipt of federal funds and amounts derived from the issuance of general obligation bonds.

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

(Approved June 24, 1969.)

**ACT 118**

S. B. NO. 83

A Bill for an Act Relating to the Regulation and Control of Parking on State Lands and Amending Section 110-8(d), Revised Laws of Hawaii 1955.

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

SECTION 1. Section 110-8(d), Revised Laws of Hawaii 1955, as amended, is hereby amended to read:

“(d) The comptroller is authorized to confer the powers of police officers, including the power to serve and execute warrants, arrest offenders and serve notices and orders, to employees of the department of accounting and general services who are engaged as special officers to enforce this section.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 3. This Act shall take effect upon the date of its approval.

(Approved June 24, 1969.)

**ACT 119**

S. B. NO. 94

A Bill for an Act Relating to the Appropriation of the Sum of \$50,000.00 for Payment of Certain Tort Claims.

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

SECTION 1. The sum of \$50,000.00, or as much thereof as may be necessary, is hereby appropriated to the department of the attorney general for payment of tort claims arbitrated, compromised or settled for amounts not in excess of \$2,000.00 up through the fiscal year ending June 30, 1970. All unexpended and unencumbered balances of the appropriation made by this Act as of the close of business on June 30, 1970 shall lapse into the general fund of the State.

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this

## ACT 120

Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 3. This Act shall take effect on July 1, 1969 or the date of its approval, whichever is later.

(Approved June 24, 1969.)

## ACT 120

S. B. NO. 119

A Bill for an Act Relating to Industrial Loan Companies.

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

SECTION 1. Section 408-11 of the Hawaii Revised Statutes is amended by deleting the second sentence thereof.

SECTION 2. Section 408-11 of the Hawaii Revised Statutes is amended by amending the last sentence to read as follows:

"It shall be unlawful to conduct an industrial loan business unless the license is prominently displayed by the licensee."

SECTION 3. Section 408-14 of the Hawaii Revised Statutes is amended by changing the last paragraph to read as follows:

"Every industrial loan company shall, as of July 1, 1969, maintain and have on hand at all times a cash or other security reserve in an amount equal to three per cent of its liabilities on outstanding certificates, and after December 31, 1969, maintain and have on hand at all times a cash or other security reserve in an amount equal to four per cent of its liabilities on outstanding certificates, which reserve shall not be pledged."

The security reserve shall be limited to direct obligations of the United States government, state, county, and securities listed on the New York stock exchange and the American stock exchange and no more than 25 per cent of the total reserve of cash and other security shall be held in securities listed on the New York stock exchange and the American stock exchange.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 24, 1969.)

## ACT 121

S. B. NO. 546

A Bill for an Act Relating to the County Vehicular Tax.

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

SECTION 1. Chapter 249, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**"Section 249- . Special number plates.** In lieu of the number plates contracted on behalf of the counties by the lieutenant governor, the treasurer shall provide, upon request, special number plates. The special number plates

**ACT 123**

shall conform to the requirements provided for the uniform number plates except that the owner shall be consulted in the choice and arrangement of letters and numbers. The fee for special number plates shall be \$100. The treasurer or director of finance shall prescribe rules and regulations pursuant to chapter 91 to carry out the provisions of this section."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 24, 1969.)

**ACT 122**

S. B. NO. 756

A Bill for an Act Relating to the Pacific War Memorial Commission and Amending Chapter 26 of the Hawaii Revised Statutes.

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

**SECTION 1.** Section 26-21 of the Hawaii Revised Statutes is amended by adding, after the last paragraph therein, a new paragraph which shall read as follows:

"The Pacific War Memorial Commission of Hawaii is placed within the department of defense for administrative purposes. The functions, duties and powers, subject to the administrative control of the adjutant general, and the composition of the Commission shall be as heretofore provided by sections 6-26 to 6-30, except that the governor shall appoint six of the members, with the adjutant general serving as an ex officio seventh voting member. The incumbent members of the Commission shall continue in office in accordance with the terms of their appointment. The Commission may at its discretion accept gifts which are designated for particular purposes. Any staff member appointed by the Commission shall be exempt from the requirements of chapters 76 and 77."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 24, 1969.)

**ACT 123**

S. B. NO. 757

A Bill for an Act Relating to the Subversive Activities Commission.

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

**SECTION 1.** The fifth paragraph of section 26-7 and chapter 131 of the Hawaii Revised Statutes are repealed.

**SECTION 2.** Chapter 28 of the Hawaii Revised Statutes is amended by adding a new paragraph to be appropriately numbered and to read as follows:

**"Sec. 28- . Review of personal history statements.** The attorney general may, on a confidential basis, receive and review personal history statements submitted to the department of personnel services as provided for in section 85-10 of the Hawaii Revised Statutes."

## **ACT 124**

**SECTION 3.** Chapter 85 of the Hawaii Revised Statutes is amended in the following respects:

- (1) By deleting item 2 of section 85-1.
- (2) By amending section 85-10 to read as follows:

**"Sec. 85-10. Investigation.** On a confidential basis, the attorney general, on request, shall receive from the department of personnel services any personal history statement submitted pursuant to this part. Where the statement reveals derogatory information indicating that the loyalty of a registrant is possibly in doubt, or where similar information is received by the attorney general from any other source, he may initiate such investigative action as in his judgment appears warranted. After having finished his analysis and evaluation of a personal history statement, the attorney general shall return the statement to the custody of the department of personnel services."

(3) By substituting in sections 85-6, 85-11, 85-12, 85-13 and 85-19 the words "attorney general" for the words "commission on subversive activities" or "commission" or words of like import and by substituting the words "he," or "his" or words of like import for the words "it" or "its" when referring to the commission on subversive activities.

**SECTION 4.** All employees of the commission on subversive activities shall be transferred to the department of the attorney general and shall become civil service employees without loss of salary, seniority, prior service credit, vacation, sick leave, or other employee benefits or privileges and without the necessity of examination; provided, that any such position once becoming vacant shall not be filled.

**SECTION 5.** All records, equipment, files, supplies, contracts, books, papers, documents, maps, appropriations, and other property made prior to or after the passage of this Act or to the commission on subversive activities shall be transferred to the department of the attorney general.

**SECTION 6.** All acts passed during this regular session of 1969, whether enacted before or after the passage of this Act shall be amended to conform to this Act, unless such acts specifically provide that this bill or Act is being amended.

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

(Approved June 24, 1969.)

## **ACT 124**

S. B. NO. 1121

A Bill for an Act Authorizing the Issuance of General Obligation and Revenue Bond Anticipation Notes of the State and the Counties and Revenue Bond Anticipation Notes of the Board of Regents of the University of Hawaii.

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

**SECTION 1.** Chapter 306, Hawaii Revised Statutes, is hereby amended

by adding thereto a new section to be designated and to read as follows:

**“ §306- . Revenue bond anticipation notes.** In anticipation of the issuance under this part of revenue bonds theretofore authorized by the Legislature and of the receipt of the proceeds of sale of such bonds, the board shall have power, with the approval of the governor, to issue and sell bond anticipation notes for the purposes for which such bonds have been authorized, the maximum principal amount of which notes shall not exceed the authorized principal amount of such bonds. The notes shall be payable solely from and secured solely by the proceeds of the sale of the bonds in anticipation of which the notes are issued and the revenues from which would be payable and by which would be secured such bonds; provided that, to the extent the principal of the notes is paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds in anticipation of which the notes are issued that has been authorized shall be reduced by the amount of such notes paid in such manner. The issuance of such notes and the details thereof shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable; provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note, and (2) the notes may be sold at public or private sale, as the board, with the approval of the governor, may determine.”

SECTION 2. Part I of chapter 39, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be designated and to read as follows:

**“ §39- . Bond anticipation notes.** In anticipation of the issuance under this part of general obligation bonds theretofore authorized by the Legislature and of the receipt of the proceeds of sale of such bonds, the director of finance may, with the approval of the governor, issue and sell general obligation bond anticipation notes for the purposes for which such bonds have been authorized, the maximum principal amount of which notes shall not exceed the authorized principal amount of such bonds. The full faith and credit of the State shall be pledged to the payment of the principal and interest of the notes. The issuance of the notes and the details thereof shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable, provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note; (2) the notes may be sold at public or private sale as the director, with the approval of the governor, may determine; and (3) the interest on the notes shall be paid from the general fund and the principal thereof from the proceeds of sale of the bonds in anticipation of which the notes have been issued, or from any moneys in the general fund available therefor. To the extent that the principal of the notes shall be paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds that has been authorized shall be reduced by the amount of notes paid in such manner.”

## ACT 124

SECTION 3. Part III of chapter 39, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be designated and to read as follows:

**“ §39- . Bond anticipation notes.** In anticipation of the issuance under this part of revenue bonds theretofore authorized by the Legislature for an undertaking and of the receipt of the proceeds of such bonds, the department having jurisdiction over the undertaking may, with the approval of the governor, issue and sell bond anticipation notes for the purposes for which such bonds have been authorized, the maximum principal amount of which notes shall not exceed the authorized principal amount of such bonds. The notes shall be payable solely from and secured solely by the proceeds of the sale of the bonds in anticipation of which they were issued and the revenues, or the user taxes, or a combination of both, from which would be payable and by which would be secured such bonds; provided that, to the extent the principal of the notes is paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds in anticipation of which the notes are issued that has been authorized shall be reduced by the amount of such notes paid in such manner. The issuance of such notes and the details thereof shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable, provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note and (2) the notes may be sold at public or private sale, as the department, with the approval of the governor, may determine.”

SECTION 4. Part I of chapter 47, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be designated and to read as follows:

**“ §47- . Bond anticipation notes.** Whenever the governing body of the county shall have authorized the issuance of bonds under this part, general obligation bond anticipation notes of the county are hereby authorized to be issued in anticipation of the issuance of such bonds and of the receipt of the proceeds of sale thereof, for the purposes for which such bonds have been authorized. All general obligation notes must be authorized by the governing body of the county issuing same, and the maximum principal amount of such notes shall not exceed the authorized principal amount of such bonds. The director of finance of the county, with the approval of the governing body, may issue and sell from time to time the bond anticipation notes which have been authorized by the governing body. The full faith and credit of the county shall be pledged to the payment of the principal and interest of the notes. The authorization, issuance and details of the notes shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable, provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note; (2) the notes may be sold at public or private sale as the director of finance, with the approval of the governing body,

may determine; (3) all signatures upon the notes may be manual signatures; and (4) the interest on the notes shall be paid from the general fund of the county issuing same and the principal thereof from the proceeds of sale of the bonds in anticipation of which the notes have been issued or from any money in the general fund available therefor. To the extent that the principal of the notes shall be paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds in anticipation of which the notes are issued that has been authorized shall be reduced by the amount of notes paid in such manner."

SECTION 5. Chapter 49, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be designated and to read as follows:

**"§49- . Bond anticipation notes.** Whenever the governing body of the municipality shall have authorized the issuance of bonds under this chapter for an undertaking, revenue bond anticipation notes of the municipality are hereby authorized to be issued in anticipation of the issuance of such bonds and of the receipt of the proceeds of sale thereof, for the purposes for which such bonds have been authorized. All revenue bond anticipation notes must be authorized by the governing body of the municipality issuing same, and the maximum principal amount of such notes shall not exceed the authorized principal amount of such bonds. The notes shall be payable solely from and secured solely by the proceeds of sale of the bonds in anticipation of which the notes are issued and the revenues from which would be payable and by which would be secured such bonds; provided that to the extent that the principal of the notes shall be paid from moneys other than the proceeds of sale of such bonds, the maximum amount of bonds in anticipation of which the notes are issued that has been authorized shall be reduced by the amount of notes paid in such manner. The authorization, issuance and the details of such note shall be governed by the provisions of this part with respect to bonds insofar as the same may be applicable, provided that (1) each note, together with all renewals and extensions thereof, or refundings thereof by other notes issued under this section, shall mature within five years from the date of the original note; and (2) the notes may be sold at public or private sale as the governing body of the municipality may determine."

SECTION 6. This Act shall take effect upon its approval.

(Approved June 24, 1969.)

A Bill for an Act Relating to the Deposit of Money in Banks.

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

SECTION 1. Section 38-2, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 38-2. Securities for protection of funds deposited.** For the pro-

## ACT 125

tection of funds deposited by the director of finance under the provisions of this chapter, the following securities shall be deposited with the director of finance, or with banks in the continental United States, as the director of finance may select, to be held therein for safekeeping subject to the order of the director of finance, any other provisions of the laws of the State to the contrary notwithstanding:

(1) Bonds, notes, debentures or other evidences of indebtedness of the State or of any county of the State, for which the payment of the interest and principal is a direct obligation of the State or the county, as the case may be, in an amount at least equal in their par value to the amount of the deposit with the banks; or

(2) Bonds, notes, debentures or other evidences of indebtedness of agencies of the State or of agencies of any county of the State, for which the payment of the interest and principal is from the revenues of the issuing agency, in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(3) Bonds, notes, debentures or other evidences of indebtedness of any improvement district or frontage improvement of any county of the State, for which the payment of the interest and principal is from the assessments made for the improvement, in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(4) Bonds, notes, bills or certificates of indebtedness of the United States or of agencies of the United States, for which the payment of the interest and principal is a direct obligation of the United States, in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(5) Bonds, notes or debentures of agencies of the United States, in an amount at least equal to ninety-five per cent of their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(6) Warrants or warrant notes of the State in an amount at least equal in their face value to the amount of the deposit with the banks; or

(7) Bonds, notes, debentures or other evidences of indebtedness of any other State of the United States, for which the payment of the interest and principal is a direct obligation of such State, in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(8) Bonds, notes, debentures or other evidences of indebtedness of any city or of any county in the continental United States, for which the payment of the interest and principal is a direct obligation of the city or county, as the case may be, in an amount at least equal in their market value, but not to exceed their par value, to the amount of the deposit with the banks; or

(9) Other safe bonds, notes, debentures or other evidences of indebtedness as may be approved by the governor and the director of finance, in an amount and value to the amount of the deposit with the banks as is determined by the director of finance.

Securities deposited under the provisions of this section may be withdrawn from time to time; provided, that the required amount of securities shall

at all times be kept on deposit. The director of finance may at any time require additional securities to be deposited under the provisions of this section.

In the event that the bank of deposit shall fail to pay such deposits, or any part thereof, upon presentation of a check or a certificate of deposit, then the director of finance shall forthwith convert the securities deposited under the provisions of this section into money for and on behalf of the State; provided, that no such securities shall be sold except at public auction, after giving at least ten days' notice by publication in some newspaper of general circulation in the State.

**SECTION 2.** Statutory material to be added is underscored. In printing this Act, the revisor of statutes may exclude the underscoring.\*

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

(Approved June 26, 1969.)

**ACT 126**

H. B. NO. 1064

A Bill for an Act Relating to Disclosure of Finance Costs and Amending Chapters 408, 409, 476 and 477 of the Hawaii Revised Statutes.

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

**SECTION 1.** Chapter 408 of the Hawaii Revised Statutes is amended by adding a new section to be appropriately numbered and to read as follows:

**“Section 408-** . With regard to any transaction governed by the Federal Truth in Lending Act, no licensee shall be required by this chapter to make any disclosure which is inconsistent with the requirements of the Federal Truth in Lending Act and with the regulations of the Federal Reserve Board promulgated thereunder. For the purposes of this section the effective rate of interest on any transaction shall be the same as the annual percentage rate of the finance charge as determined pursuant to the requirements of the Federal Truth in Lending Act and the regulations of the Federal Reserve Board promulgated thereunder.”

**SECTION 2.** Chapter 409 of the Hawaii Revised Statutes is amended by adding a new section to be appropriately numbered and to read as follows:

**“Section 409-** . With regard to any transaction governed by the Federal Truth in Lending Act, no licensee shall be required by this chapter to make any disclosure which is inconsistent with the requirements of the Federal Truth in Lending Act and with the regulations of the Federal Reserve Board promulgated thereunder.”

**SECTION 3.** Chapter 476 of the Hawaii Revised Statutes is amended by adding a new section to be appropriately numbered and to read as follows:

**“Section 476-** . With regard to any transaction governed by the Federal Truth in Lending Act, no contract shall be required by this chapter to contain any disclosure which is inconsistent with the requirements of the Federal

\* Edited accordingly

## ACT 127

Truth in Lending Act and with the regulations of the Federal Reserve Board promulgated thereunder."

SECTION 4. Section 477-5 of the Hawaii Revised Statutes is amended by adding a new sentence to read as follows:

"This chapter shall not apply to any transaction governed by the Federal Truth in Lending Act."

SECTION 5. This Act shall take effect on July 1, 1969.

(Approved June 26, 1969.)

## ACT 127

H. B. NO. 29

A Bill for an Act Relating to Compensation of Public Officers and Employees.

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

SECTION 1. Section 26-51, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 26-51. Governor; lieutenant governor.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the compensation of the governor of the State shall be \$38,182 a year. Effective July 1, 1970, the salary of the governor of the State shall be \$42,000 a year. For the period beginning on July 1, 1969 and ending on June 30, 1970, the compensation of the lieutenant governor shall be \$32,455 a year. Effective July 1, 1970 the salary of the lieutenant governor shall be \$35,700 a year."

SECTION 2. Section 26-52, Hawaii Revised Statutes is amended to read as follows:

**"Sec. 26-52. Department heads and executive officers.** The salaries of the following state officers are hereby fixed at the following annual rates:

(1) The salary of the superintendent of education shall be set by the board of education. For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary shall not be less than \$26,250 nor more than \$30,250 a year. Effective July 1, 1970 the salary shall be not less than \$29,275 nor more than \$33,275 a year.

(2) The salaries of all department heads or executive officers of the departments of accounting and general services, agriculture, attorney general, budget and finance, Hawaiian home lands, health, labor and industrial relations, land and natural resources, personnel services, planning and economic development, regulatory agencies, social services, taxation and transportation shall be set by the appointing authority. For the period beginning on July 1, 1969 and ending on June 30, 1970, the salaries of the above named department heads or executive officers shall be not less than \$23,500 nor more than \$27,500 a year. Effective July 1, 1970, their salaries shall be not less than \$26,250 nor more than \$30,250 a year.

(3) For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary of the adjutant general shall be not less than \$23,500 nor more than

\$27,500 a year. Effective July 1, 1970 the salary of the adjutant general shall be not less than \$26,250 nor more than \$30,250 a year. If the maximum rate is in conflict with the pay and allowance fixed by the tables of the regular army of the United States, the latter shall prevail."

SECTION 3. Section 26-54, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 26-54. Administrative director of the State.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary of the administrative director of the State shall be not less than \$23,500 nor more than \$27,500 a year. Effective July 1, 1970 the salary of the administrative director of the State shall be not less than \$26,250 nor more than \$30,250 a year."

SECTION 4. Section 23-3, Hawaii Revised Statutes, is amended by amending the first paragraph to read as follows:

"The salary of the auditor shall be fixed by the legislature and shall not be diminished during the auditor's term of office. For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary shall be the same as the salary of circuit court judges. Effective July 1, 1970, the salary shall be the same as the salary of circuit court judges."

SECTION 5. Section 29-1, Hawaii Revised Statutes, is amended by amending the third sentence of the first paragraph to read as follows:

"For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary of the federal programs coordinator shall be \$16,500 a year. Effective July 1, 1970, the salary of the federal programs coordinator shall be \$18,150 a year."

SECTION 6. Section 96-2, Hawaii Revised Statutes is amended by amending the first sentence of the third paragraph to read as follows:

"For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary of the ombudsman shall be the same as the salary of the circuit court judges. Effective July 1, 1970, the salary of the ombudsman shall be the same as the salary of the circuit court judges."

SECTION 7. Section 2-2, Hawaii Revised Statutes is amended by amending the second paragraph to read as follows:

"The revisor and assistant revisor shall not be subject to the civil service and compensation laws. The revisor's salary shall be set by the supreme court. For the period beginning on July 1, 1969 and ending on June 30, 1970, the salary shall not be less than \$13,787 nor more than \$17,787 a year. Effective July 1, 1970, the salary shall not be less than \$15,566 nor more than \$19,566 a year. The salary of the assistant revisor shall be set by the revisor with the approval of the supreme court and shall not exceed a sum equal to ninety per cent of the salary of the revisor."

SECTION 8. Section 28-26, Hawaii Revised Statutes is amended by amending the first sentence to read as follows:

"For the period beginning on July 1, 1969 and ending on June 30, 1970, the sheriff shall receive a salary of \$10,890 a year. Effective July 1, 1970, the

## ACT 127

sheriff shall receive a salary of \$11,979 a year."

SECTION 9. Section 601-3, Hawaii Revised Statutes, is amended by amending the third sentence to read as follows:

"He shall hold no other office or employment. For the period beginning on July 1, 1969 and ending on June 30, 1970, he shall receive a salary of not more than \$20,000 a year. Effective July 1, 1970, he shall receive a salary of not more than \$22,670 a year."

SECTION 10. Section 602-2, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 602-2. Salary, supreme court justices.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the compensation of the chief justice of the supreme court of the State shall be \$30,800 a year and the compensation of the associate justices of the supreme court of the State shall be \$29,700 a year. Effective July 1, 1970, the compensation of the chief justice of the supreme court shall be \$33,880 a year and the compensation of the associate justices of the supreme court shall be \$32,670 a year."

SECTION 11. Section 603-5, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 603-5. Salary of circuit court judges.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the compensation of the circuit court judges of the various circuit courts of the State shall be \$27,500 a year. Effective July 1, 1970, the compensation of the circuit court judges of the various circuit courts of the State shall be \$30,250 a year."

SECTION 12. Section 608-3, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 608-3. Honolulu, salary rates.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the district magistrates for the city and county of Honolulu and their salary rates are as follows:

A Year	
First, second, third, fourth, and seventh district magistrates Honolulu, who shall not be engaged in the practice of law during their terms of office .....	\$20,000
District magistrate, Ewa .....	7,562
District magistrate, Waianae .....	6,050
District magistrate, Waialua .....	6,050
District magistrate, Koolaupoko and Koolauloa .....	7,865
District magistrate, Wahiawa .....	7,260
District magistrate, rural districts, who shall not be engaged in the practice of law during his term of office .....	20,000

Effective July 1, 1970, the district magistrates for the city and county of Honolulu and their salary rates are as follows:

## A Year

First, second, third, fourth and seventh district magistrates Honolulu, who shall not be engaged in the practice of law during their terms of office .....	\$23,670
District magistrate, Ewa .....	8,318
District magistrate, Waianae .....	6,655
District magistrate, Waialua .....	6,655
District magistrate, Koolaupoko and Koolauloa .....	8,652
District magistrate, Wahiawa .....	7,986
District magistrate, rural districts, who shall not be engaged in the practice of law during his term of office .....	23,670

Clerks, reporters and interpreters, district court, Honolulu (at rates provided under chapter 77); a chief clerk, a clerk-reporter supervisor, such other clerks and clerk-reporters as may be needed, a Japanese interpreter, a Filipino interpreter, a Chinese interpreter."

SECTION 13. Section 608-4, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 608-4. Hawaii.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the district magistrates, clerks, and other assistants referred to in section 608-2, and the salary rates of the district magistrates for the county of Hawaii are as follows:

## A Year

District magistrate, Hamakua, North and South Kohala.....	\$7,260
---	---------

Clerk and reporter, district court of Hamakua, North and South Kohala, to be employed on a full-time basis, paid such salaries as shall be provided for by chapter 77.

District magistrate, North and South Kona.....	\$6,352
District magistrate, Kau .....	4,840
District magistrate, South Hilo, North Hilo, and Puna, who shall not engage in the practice of law during his term in office.....	20,000

Effective July 1, 1970, the district magistrates, clerks, and other assistants referred to in section 608-2, and the salary rates of the district magistrates for the county of Hawaii are as follows:

## A Year

District magistrate, Hamakua, North and South Kohala.....	\$7,986
---	---------

Clerk and reporter, district court of Hamakua, North and South Kohala, to be employed on a full-time basis, paid such salaries as shall be provided for by chapter 77.

District magistrate, North and South Kona.....	\$6,987
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District magistrate, Kau .....	5,324
District magistrate, South Hilo, North Hilo, and Puna, who shall not engage in the practice of law during his term in office.....	23,670

Chief clerks, first assistant clerk, and reporter, and second assistant clerk and reporter, third assistant clerk and reporter, and fourth assistant clerk and reporter, district court of South Hilo, North Hilo, and Puna, whose salaries shall be as provided for by chapter 77."

SECTION 14. Section 608-5, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 608-5. Kauai.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the district magistrates referred to in section 608-2 and their salary rates for the county of Kauai are as follows:

	A Year
District magistrate, Lihue and Koloa who shall not engage in the practice of law during his term of office.....	\$20,000
District magistrate, Waimea .....	5,748
District magistrate, Kawaihau and Hanalei.....	5,748

Effective July 1, 1970, the district magistrates referred to in section 608-2 and their salary rates for the county of Kauai are as follows:

District magistrate, Lihue and Koloa who shall not engage in the practice of law during his term of office.....	\$23,670
District magistrate, Waimea .....	6,323
District magistrate, Kawaihau and Hanalei .....	6,323

SECTION 15. Section 608-6, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 608-6. Maui.** For the period beginning on July 1, 1969 and ending on June 30, 1970, the district magistrates, clerks, and other assistants referred to in section 608-2 and the salary rates of the district magistrates for the county of Maui are as follows:

	A Year
District magistrate, Lahaina and Lanai .....	\$7,260
Clerk and stenographer, Lahaina.....	.....
Clerk and stenographer, Lanai .....	.....
District magistrate, Wailuku, who shall not engage in the practice of law during his term of office.....	20,000
Clerk and stenographer, Wailuku .....	.....
District magistrate, Makawao and Hana .....	7,260
District magistrate, Molokai .....	4,840
Clerk and stenographer, Molokai.....	.....

Effective July 1, 1970 the district magistrates, clerks, and other assistants

referred to in section 608-2 and the salary rates of the district magistrates for the county of Maui are as follows:

	A Year
District magistrate, Lahaina and Lanai .....	\$7,986
Clerk and stenographer, Lahaina .....	.....
Clerk and stenographer, Lanai .....	.....
	A Year
District magistrate, Wailuku, who shall not engage in the practice of law during his term of office .....	\$23,670
Clerk and stenographer, Wailuku .....	.....
District magistrate, Makawao and Hana .....	7,986
District magistrate, Molokai .....	5,324
Clerk and stenographer, Molokai.....	.....

The salaries for the above clerks and stenographers shall be provided under chapter 77."

SECTION 16. Section 608-7, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 608-7. Kalawao.** For the period beginning on July 1, 1969 and ending on June 30, 1970 the salary rate of the district magistrate for the county of Kalawao is \$3,328 a year. Effective July 1, 1970, the salary rate of the district magistrate for the county of Kalawao is \$3,661 a year."

SECTION 17. Section 77-13, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 77-13. Salary schedule.** (a) For the period beginning on July 1, 1969 and ending on June 30, 1970, the annual rates of basic compensation of classes of positions to which this chapter applies, except the blue collar positions covered by section 77-5, shall be in accordance with the following schedule.

**STATE OF HAWAII - SCHEDULE OF SALARIES  
EFFECTIVE JULY 1, 1969 TO JUNE 30, 1970**

SR	B	C	D	E	F	G	L-1	L-2	L-3	L-4
2	3528	3708	3888	4080	4284	4500	4728	4968	5220	5484
3	3708	3888	4080	4284	4500	4728	4968	5220	5484	5760
4	3888	4080	4284	4500	4728	4968	5220	5484	5760	6048
5	4080	4284	4500	4728	4968	5220	5484	5760	6048	6348
6	4284	4500	4728	4968	5220	5484	5760	6048	6348	6660
7	4500	4728	4968	5220	5484	5760	6048	6348	6660	6996
8	4728	4968	5220	5484	5760	6048	6348	6660	6996	7344
9	4968	5220	5484	5760	6048	6348	6660	6996	7344	7716
10	5220	5484	5760	6048	6348	6660	6996	7344	7716	8100
11	5484	5760	6048	6348	6660	6996	7344	7716	8100	8508
12	5760	6048	6348	6660	6996	7344	7716	8100	8508	8928
13	6048	6348	6660	6996	7344	7716	8100	8508	8928	9372
14	6348	6660	6996	7344	7716	8100	8508	8928	9372	9840
15	6660	6996	7344	7716	8100	8508	8928	9372	9840	10332

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SR	B	C	D	E	F	G	L-1	L-2	L-3	L-4
16	6996	7344	7716	8100	8508	8928	9372	9840	10332	10848
17	7344	7716	8100	8508	8928	9372	9840	10332	10848	11388
18	7716	8100	8508	8928	9372	9840	10332	10848	11388	11952
19	8100	8508	8928	9372	9840	10332	10848	11388	11952	12552
20	8508	8928	9372	9840	10332	10848	11388	11952	12552	13176
21	8928	9372	9840	10332	10848	11388	11952	12552	13176	13836
22	9372	9840	10332	10848	11388	11952	12552	13176	13836	14532
23	9840	10332	10848	11388	11952	12552	13176	13836	14532	15264
24	10332	10848	11388	11952	12552	13176	13836	14532	15264	16032
25	10848	11388	11952	12552	13176	13836	14532	15264	16032	16836
26	11388	11952	12552	13176	13836	14532	15264	16032	16836	17676
27	11952	12552	13176	13836	14532	15264	16032	16836	17676	18564
28	12552	13176	13836	14532	15264	16032	16836	17676	18564	19488
29	13176	13836	14532	15264	16032	16836	17676	18564	19488	20460
30	13836	14532	15264	16032	16836	17676	18564	19488	20460	21480
31	14532	15264	16032	16836	17676	18564	19488	20460	21480	22560
SC-1	15264	16032	16836	17676	18564	19488	20460	21480	22560	23688
SC-2	16032	16836	17676	18564	19488	20460	21480	22560	23688	
SC-3	16836	17676	18564	19488	20460	21480	22560	23688		

(b) The salaries of public officers and employees shall be converted from the existing salary schedule to the salaries in the July 1, 1969 to June 30, 1970 salary schedule, as contained in subsection (a), in the following manner:

(1) Incumbents in salary ranges 2 to 31 who are entitled to an increment or longevity step on July 1, 1969 shall be granted their increment or longevity step on the existing schedule and then shall be assigned to the same salary range and increment step or longevity step in the new schedule set forth in subsection (a) and they shall receive the compensation provided for these increment or longevity steps. Any incumbent who is entitled to an increment or longevity step after July 1, 1969 shall receive his increment or longevity step on his appropriate service or anniversary date.

(2) Any employee not being compensated at a rate set forth in the existing salary schedule shall first be moved to the next higher increment or longevity step within the same salary range in the existing salary schedule, if there is such a step; his salary shall then be that which is assigned to the same salary range and increment or longevity step in the new salary schedule set forth in subsection (a).

(3) The compensation of any incumbent whose pay rate on June 30, 1969, exceeds the L-4 pay rate of the appropriate range for the class to which his position is allocated shall be increased by 10%.

(4) Conversion of compensation rates to the new schedule shall be made without causing any loss or reduction in the compensation rates of incumbent officers and employees; nor shall their service anniversary dates be affected by the conversion process.

(c) Effective July 1, 1970, the annual rates of basic compensation of classes of positions to which this chapter applies, except the blue collar positions covered by section 77-5 shall be in accordance with the following schedule.

## STATE OF HAWAII - SCHEDULE OF SALARIES

EFFECTIVE JULY 1, 1970

SR	B	C	D	E	F	G	L-1	L-2	L-3	L-4
2	3888	4080	4284	4500	4728	4968	5220	5484	5760	6048
3	4080	4284	4500	4728	4968	5220	5484	5760	6048	6348
4	4284	4500	4728	4968	5220	5484	5760	6048	6348	6660
5	4500	4728	4968	5220	5484	5760	6048	6348	6660	6996
6	4728	4968	5220	5484	5760	6048	6348	6660	6996	7344
7	4968	5220	5484	5760	6048	6348	6660	6996	7344	7716
8	5220	5484	5760	6048	6348	6660	6996	7344	7716	8100
9	5484	5760	6048	6348	6660	6996	7344	7716	8100	8508
10	5760	6048	6348	6660	6996	7344	7716	8100	8508	8928
11	6048	6348	6660	6996	7344	7716	8100	8508	8928	9372
12	6348	6660	6996	7344	7716	8100	8508	8928	9372	9840
13	6660	6996	7344	7716	8100	8508	8928	9372	9840	10332
14	6996	7344	7716	8100	8508	8928	9372	9840	10332	10848
15	7344	7716	8100	8508	8928	9372	9840	10332	10848	11388
16	7716	8100	8508	8928	9372	9840	10332	10848	11388	11952
17	8100	8508	8928	9372	9840	10332	10848	11388	11952	12552
18	8508	8928	9372	9840	10332	10848	11388	11952	12552	13176
19	8928	9372	9840	10332	10848	11388	11952	12552	13176	13836
20	9372	9840	10332	10848	11388	11952	12552	13176	13836	14532
21	9840	10332	10848	11388	11952	12552	13176	13836	14532	15264
22	10332	10848	11388	11952	12552	13176	13836	14532	15264	16032
23	10848	11388	11952	12552	13176	13836	14532	15264	16032	16836
24	11388	11952	12552	13176	13836	14532	15264	16032	16836	17676
25	11952	12552	13176	13836	14532	15264	16032	16836	17676	18564
26	12552	13176	13836	14532	15264	16032	16836	17676	18564	19488
27	13176	13836	14532	15264	16032	16836	17676	18564	19488	20460
28	13836	14532	15264	16032	16836	17676	18564	19488	20460	21480
29	14532	15264	16032	16836	17676	18564	19488	20460	21480	22560
30	15264	16032	16836	17676	18564	19488	20460	21480	22560	23688
31	16032	16836	17676	18564	19488	20460	21480	22560	23688	24876
SC-1	16836	17676	18564	19488	20460	21480	22560	23688	24876	26124
SC-2	17676	18564	19488	20460	21480	22560	23688	24876	26124	
SC-3	18564	19488	20460	21480	22560	23688	24876	26124		

(d) The salaries of public officers and employees shall be converted to the salaries in the schedule as set forth in subsection (c) of this section from the schedule as set forth in subsection (a) of this section in the following manner:

(1) Incumbents in salary ranges 2 to 31 and SC-1, SC-2, and SC-3 who are entitled to an increment or longevity step on July 1, 1970 shall be granted their increment or longevity step on the salary schedule as contained in subsection (a) and then shall be assigned to the same salary range and increment step or longevity step in the schedule as set forth in subsection (c) of this section, and they shall receive the compensation provided for these increment or longevity steps. Any incumbent who is entitled to an increment or longevity step after July 1, 1970 shall receive his increment or longevity step on his appropriate service or anniversary date.

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(2) Any employee not being compensated at a rate set forth in the salary schedule of subsection (a) shall first be moved to the next higher increment or longevity step within the same salary range in the schedule of subsection (a), if there is such a step; his salary shall then be assigned to the same salary range and increment or longevity step in the schedule as set forth in subsection (c) of this section.

(3) The compensation of any incumbent whose pay rate on June 30, 1970, exceeds the L-4 pay rate of the appropriate ranges in the schedule as set forth in subsection (c) of this section for the class to which his position is allocated shall be increased by 10%.

(4) Conversion of compensation rates to the new schedule shall be made without causing any loss or reduction in the compensation rates of incumbent officers and employees; nor shall their service anniversary dates be affected by the conversion process.

(e) Whenever payment is made on the basis of monthly, weekly, hourly, or daily rate, the rate shall be computed in the following manner:

- (1) By dividing the annual rate by 12 in order to find the monthly rate;
- (2) By dividing the annual rate by 52 in order to find the weekly rate;
- (3) By dividing the weekly rate by 40 in order to find the hourly rate; and
- (4) By multiplying the hourly rate by the number of daily hours of service required in order to find the daily rate.

(f) Salary ranges SC-1, SC-2 and SC-3 shall be utilized in the following manner:

(1) Salary ranges SC-1, SC-2 and SC-3 may be utilized by the State and counties for physicians and psychiatrists positions.

(2) Except as provided for in subsection (1), only state positions shall be assigned to salary ranges SC-1, SC-2, and SC-3.

(3) No position shall be classified and paid in salary ranges SC-1, SC-2 and SC-3 unless specifically recommended by the director of personnel services and approved by the governor.

(4) There shall be at any given period not more than ten positions classified and paid in salary ranges SC-1, SC-2 and SC-3. Psychiatrists and physician positions shall be excluded from the above mentioned total of ten.

(5) The salary of any employee assigned to SC-1, SC-2 or SC-3 shall not be more than ninety per cent of his director's salary.

(6) The director of personnel services shall report annually to the legislature as to the manner in which the positions assigned to salary ranges SC-1, SC-2 and SC-3 are being used.

**SECTION 18.** Section 4-4.1 as contained in Act 302, Session Laws of Hawaii 1967 as amended by Act 72, Session Laws of Hawaii 1968 is amended as follows:

(a) by amending subsection a, paragraph 1 to read as follows:

"1. The salary schedule applicable to blue collar positions shall be comprised of five increment steps at 5 per cent intervals."

(b) by amending the wage schedule found in subsection c paragraph 2 by adding a new step 5 to read as follows:

**"WAGE BOARD SCHEDULE  
NON SUPERVISORY**

5
432
2.49
462
2.67
471
2.72
502
2.90
533
3.08
564
3.26
595
3.43
626
3.61
690
3.98
720
4.16
754
4.35
786
4.54
819
4.73
849
4.90
883
5.09

**WAGE BOARD SCHEDULE  
SUPERVISORY**

5
474
2.74
517
2.98

5  
561  
3.23  
603  
3.48  
646  
3.73  
509  
2.94  
555  
3.20  
603  
3.48  
648  
3.74  
695  
4.01  
519  
2.99  
566  
3.27  
613  
3.54  
660  
3.81  
708  
4.08  
553  
3.19  
603  
3.48  
653  
3.77  
702  
4.05  
754  
4.35  
586  
3.38  
638  
3.69  
693  
4.00  
747  
4.31  
799  
4.61

5  
621  
3.58  
677  
3.91  
734  
4.23  
790  
4.56  
846  
4.88  
653  
3.77  
713  
4.12  
774  
4.46  
832  
4.80  
891  
5.15  
688  
3.97  
750  
4.33  
814  
4.67  
876  
5.05  
938  
5.41  
759  
4.38  
826  
4.77  
896  
5.17  
965  
5.57  
1034  
5.96  
794  
4.58  
866  
5.00  
938  
5.41

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5	
1010	
5.83	
1082	
6.24	
828	
4.78	
904	
5.22	
980	
5.65	
1055	
6.09	
1130	
6.52	
864	
4.99	
943	
5.44	
1021	
5.89	
1101	
6.35	
1179	
6.80	
899	
5.19	
981	
5.66	
1063	
6.13	
1145	
6.60	
1226	
7.08	
936	
5.40	
1021	
5.90	
1105	
6.37	
1191	
6.87	
1276	
7.36	
972	
5.61	

	5
	1059
	6.11
	1149
	6.63
	1236
	7.13
	1325
	7.64 ..

(c) by adding a new subsection (e) to read as follows:

“(e) effective fiscal year 1969-70, and in every other fiscal year thereafter, any employee who has completed one year of satisfactory service at step 4 shall be advanced to step 5.”

SECTION 19. Section 297-31, Hawaii Revised Statutes, is hereby amended by amending paragraph (c) (7) to read as follows:

“(7) A Class VII teacher is any teacher who holds a certificate issued by the department based upon a doctorate and who teaches subjects in or related to his major.”

SECTION 20. Section 297-31, Hawaii Revised Statutes, is hereby amended by deleting paragraphs (c) (8) through (c) (18). Those teachers within the classification (c) (8) through (c) (18) hereof shall be converted to the appropriate classes and steps as set forth in section 297-31, as amended hereby.

SECTION 21. Section 297-32, Hawaii Revised Statutes, is amended to read as follows:

**Sec. 297-32. Salary ranges; teachers, educational officers.** Salary ranges for teachers and educational officers of the department of education shall be subject to the requirements of sections 297-31, 297-33, and 297-34 and shall be as follows:

**DEPARTMENT OF EDUCATION  
SALARY RANGES  
TEACHERS**

POSITIONS	DOESR
Teachers	
Class I	1
II	3
III	5
IV	6
V	7
VI	8
VII	9

**EDUCATIONAL OFFICERS**

Vice Principal	1
Vice Principal II	2

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Principal I	3
Principal II	4
Curriculum Specialist I	
Principal III	
Curriculum Specialist I	
District Staff Specialist II	5
State Staff Specialist I	
State Program Specialist I	
Principal IV	
State Staff Specialist II	6
State Program Specialist II	
Deputy District Supt. I	
State Program Admin./Psychologist	7
Deputy District Supt. II	8
State Program Director	9
District Superintendent I	10
District Superintendent II	11
Assistant Superintendent	12

All DOESR salary ranges not indicated above are presently unoccupied."

SECTION 22. Section 297-33, Hawaii Revised Statutes, is amended to read as follows:

**"Section 297-33. Teachers salary schedule.** (a) The salary schedule hereby established shall apply to all teachers of the department of education effective September 1, 1969 and ending August 31, 1970, and shall be as follows:

### TEACHER'S SALARY SCHEDULE EFFECTIVE SEPTEMBER 1, 1969 TO AUGUST 31, 1970

SR	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3	L-4
1	6376	6630	6897	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418
2	6630	6897	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874
3	6897	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353
4	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856
5	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384
6	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938
7	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520
8	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520	14131
9	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520	14131	14773

(b) Incumbent teachers on the present incentive track system shall be converted from the existing schedule to the new salary schedule in the following manner:

(1) Incumbent teachers who are not in the maximum increment step under the existing schedule shall be granted their annual increment under the existing schedule and then be placed in the appropriate salary range and increment step in the new schedule.

(2) Incumbent teachers who are in the maximum increment step or longevity step for less than three years under the existing schedule as of September 1, 1969, shall be placed in the maximum increment step or longevity step of the appropriate salary range in the new schedule.

(3) Incumbent teachers who are in the maximum increment step or longevity step for at least three years under the existing schedule as of September 1, 1969, shall be advanced to the next longevity step in the existing schedule and then be placed in the appropriate longevity step in the new schedule.

(4) Vocational agriculture and technical school teachers shall be classified as regular teachers and be converted to the new salary schedule remaining in the same class and in the appropriate increment or longevity step as provided for regular teachers.

(c) Incumbent teachers who are on the existing basic track system shall be granted their earned increment under the existing schedule and shall be converted to the new salary schedule by being placed in the appropriate salary range and increment step or longevity step which would provide an increase of not more than fifteen per cent over the salary they would have earned prior to this Act. In the conversion, the incumbent teacher shall be placed in the increment or longevity step which most closely equates the previous salary plus fifteen per cent but in no case shall such salary be higher.

(d) The salary schedule hereby established shall apply to all teachers of the department of education effective September 1, 1970, and shall be as follows:

#### TEACHER'S SALARY SCHEDULE EFFECTIVE SEPTEMBER 1, 1970

SR	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3	L-4
1	6630	6897	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874
2	6897	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353
3	7177	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856
4	7471	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384
5	7780	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938
6	8104	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520
7	8444	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520	14131
8	8801	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520	14131	14773
9	9176	9570	9984	10418	10874	11353	11856	12384	12938	13520	14131	14773	15447

(e) Incumbent teachers who are entitled to an increment or longevity step on September 1, 1970, shall be granted their increment or longevity step on the salary schedule as contained in subsection (a) and shall be assigned to the same salary range and increment step or longevity step in the schedules as set forth in subsection (d) of this section, and they shall receive the compensation provided for these increment or longevity steps.

(f) All teachers must meet the following requirements:

(1) A teacher must earn at least five credits within a three-year cycle in order to receive increment or longevity step increases in the third year of the three-year cycle.

(2) A teacher who fails to meet the requirement set forth above shall not be eligible for any increment or longevity step increases until he earns the

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credit requirement for the three-year cycle.

(3) Any credit earned in excess of any three-year credit requirement may not be carried over beyond such three-year cycle.

(4) Credits earned can be in the form of in-service, university, or other credits approved by the department.

(g) A teacher is required to spend at least one year in Class III before going on to Class IV, at least one year in Class IV before going on to Class V and at least one year in Class V before going on to Class VI.

(h) In case of promotion from a teaching position to an educational officer, the employee shall receive compensation at the lowest step of the higher grade which exceeds his existing compensation by at least eight per cent if such step exists.

(i) For the period beginning on September 1, 1969, and ending on June 30, 1970, substitute teachers shall be paid as follows:

Class I .....	\$18.50
Class II .....	22.00
Class III .....	26.50

Effective September 1, 1970, substitute teachers shall be paid as follows:

Class I .....	\$19.00
Class II .....	22.75
Class III .....	27.50

SECTION 23. Section 297-39, Hawaii Revised Statutes, is hereby amended, effective September 1, 1969, to read as follows:

**"Section 297-39. Teachers with special assignments, vocational agriculture, and technical school teachers.** Teachers with special assignments, where their responsibilities are greater, may be provided additional benefits by the department. In determining additional benefits for vocational agriculture and technical school teachers, the department may allow credit for practical experience."

SECTION 24. Chapter 297, Hawaii Revised Statutes, is hereby amended by adding thereto a new section, to be appropriately designated and to read as follows:

**"Sec. 297- . Educational Officers Salary Schedules.** (a) The salary schedule hereby established shall apply to all educational officers of the department of education effective September 1, 1969 and ending August 31, 1970, and shall be as follows:

### EDUCATIONAL OFFICERS' SALARY SCHEDULE

EFFECTIVE SEPTEMBER 1, 1969 TO AUGUST 31, 1970

SR	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3	L-4
1	9351	9726	10120	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323
2	9726	10120	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997
3	10120	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704
4	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447

SR	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3	L-4
5	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227
6	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046
7	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906
8	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809
9	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757
10	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752
11	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752	23797
12	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752	23797	24894

(b) Educational officers shall be converted from the existing schedule to the new salary schedule in the following manner:

(1) Educational officers who are not in the maximum increment step under the existing schedule shall be granted their annual increment under the existing schedule and then be placed in the appropriate salary range and increment step in the new schedule.

(2) Educational officers who are in the maximum increment step or longevity step for less than three years under the existing schedule as of September 1, 1969, shall be placed in the maximum increment step or longevity step of the appropriate salary range in the new schedule.

(3) Educational officers who are in the maximum increment step or longevity step for at least three years under the existing schedule as of September 1, 1969, shall be advanced to the next longevity step in the existing schedule and then be placed in the appropriate longevity step in the new schedule.

(4) Educational officers whose salary range does not coincide with the salary range assigned to that position shall revert to the proper salary range for the position as set forth under section 297-32, as amended by section 21 of this Act.

(c) The salary schedule hereby established shall apply to all educational officers of the department of education effective September 1, 1970, and shall be as follows:

### EDUCATIONAL OFFICERS' SALARY SCHEDULE EFFECTIVE SEPTEMBER 1, 1970

SR	1	2	3	4	5	6	7	8	9	L-1	L-2	L-3	L-4
1	9726	10120	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997
2	10120	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704
3	10534	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447
4	10968	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227
5	11424	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046
6	11903	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906
7	12406	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809
8	12934	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757
9	13488	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752
10	14070	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752	23797
11	14681	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752	23797	24894
12	15323	15997	16704	17447	18227	19046	19906	20809	21757	22752	23797	24894	26046

(d) Educational officers who are entitled to an increment or longevity step on September 1, 1970, shall be granted their increment or longevity step on the salary schedule as contained in subsection (a) and shall be assigned to

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the same salary range and increment step or longevity step in the schedules as set forth in subsection (c) of this section, and they shall receive the compensation provided for these increment or longevity steps.

(e) Any principal, vice principal or other educational officer on a ten-month work year must earn at least six credits within a three-year cycle in order to receive an increment or longevity step increase in the third year of the three-year cycle."

SECTION 25. Section 297-37, Hawaii Revised Statutes, is hereby amended to read as follows:

**"Section 297-37. Educational officers; demotion, transfers, reduction in enrollment.** Any educational officer demoted to a position in a lower salary range shall continue to be paid his previous salary for the first year of his demotion, after which time he shall be compensated at the appropriate step in the salary range to which he has been demoted. Unless otherwise provided by the department of education, any educational officer who is in a school in which the student enrollment has declined to a number that would place him in a lower classification shall continue to be paid at his same salary range."

SECTION 26. Chapter 297, Hawaii Revised Statutes, is hereby amended by adding thereto a new section to be appropriately designated and to read as follows:

**"Sec. 297- . Non-certificated personnel.** All non-certificated administrative, professional, and technical personnel not engaged in instructional work shall be placed by the department in the appropriate salary ranges within the educational officers schedule."

SECTION 27. Chapter 312, Hawaii Revised Statutes, is amended by adding thereto a new section to be appropriately numbered and to read as follows:

**"Sec. 312- . State librarian; salary.** The state librarian, under the direction of the superintendent of education, shall be responsible for the operation of all school and public libraries within the State. Notwithstanding any other law to the contrary, the salary of the state librarian shall be set by the board of education. For the period beginning September 1, 1969 and ending on August 31, 1970, his salary shall not be less than \$25,000 nor more than eighty-five per cent of the salary of the superintendent of education. Effective September 1, 1970 his salary shall be not less than \$26,000 nor more than eighty-five per cent of the salary of the superintendent of education."

SECTION 28. Any teacher who is hired for the school year 1969-70 and is placed in Class II, increment step one for the school year 1969-70 shall be granted a relocation allowance of \$125.

SECTION 29. Any law or county charter to the contrary notwithstanding, effective July 1, 1969, the salaries of the members of the county legislative bodies shall be as follows:

(1) In counties with more than 100,000 population:

	Per Year
Chairman of the council .....	\$16,000
Members of the council (each) .....	14,400

(2) In counties with less than 100,000 population:

	Per Year
Chairman of the council .....	\$12,000
Members of the council (each) .....	10,800

SECTION 30. Section 88-11, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 88-11. Bonus; amounts available.** Except as herein provided, every pension payable under the employees retirement system or payable pursuant to any law of the State, or by any county or independent public board or commission, shall be increased by a bonus for each month as follows:

(1) For the period beginning on July 1, 1969 and ending on June 30, 1970, \$62.08 per month and effective July 1, 1970, \$68.29 per month to those retirants and pensioners who had, before July 1, 1966, ten or more years of service; provided, that any member who is retired because of physical or mental disability due to any injury or disease incurred while in the performance of his duty as a public employee shall be entitled to receive the bonus payment without meeting the minimum service requirement;

(2) For the period beginning on July 1, 1969 and ending on June 30, 1970, \$24.84 per month and effective July 1, 1970, \$27.32 per month additional to the above bonus to those retirants or pensioners who retired before July 1, 1945;

(3) For the period beginning on July 1, 1969 and ending on June 30, 1970, \$24.84 per month and effective July 1, 1970, \$27.32 per month additional to the above bonus or bonuses to those retirants or pensioners who have had twenty-one or more years of service;

(4) For the period beginning on July 1, 1969 and ending on June 30, 1970, if the pension as increased by the bonus or bonuses does not equal \$161.41 per month, the bonus shall be further increased by such sum, not in excess of \$24.84 as will bring the total of the pension and bonus to \$161.41 per month, provided that where the dependents of a deceased pensioner are receiving pension by reason of his death, the total only of all amounts paid to the dependents shall be so increased, and the increase herein shall be shared by them in proportion to the respective amount of pension receivable by them exclusive of this increase. Effective July 1, 1970 if the pension as increased by the bonus or bonuses does not equal \$177.55 per month, the bonus shall be further increased by such sum, not in excess of \$27.32, as will bring the total of the pension and bonus to \$177.55 per month; provided, that where the dependents of a deceased pensioner are receiving pension by reasons of his death, the total only of all amounts paid to the dependents shall be so increased, and the increase herein shall be shared by them in proportion to the respective amount of pen-

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sion receivable by them exclusive of this increase;

(5) In the case of any retirement allowance for service commencing after June 30, 1965, pursuant to subdivision (1) or (3) of section 88-64, the only bonus payable shall be in the amount by which the benefit payable under the subdivisions is less than the bonus as set forth above, provided, that in no case shall a person who retires after June 30, 1965, receive less under the service and ordinary disability retirement system benefits, plus the bonus payable under this section than he would have received if subdivision (5) had not been enacted;

(6) Any provisions of this section to the contrary notwithstanding, there shall be paid to every person who on June 30, 1965, was receiving a retirement allowance from the system or other pension payable under or pursuant to the law of the State or by any county or independent board or commission, a special cost of living bonus which shall be paid in the following manner:

(A) On January 1, 1966, seven and one-half per cent of the retirement allowance or pension;

(B) On July 1, 1969, an additional ten percent of the retirement allowance or pension;

(C) On July 1, 1970, an additional ten percent of the retirement allowance or pension.

**SECTION 31.** Section 88-2 of the Hawaii Revised Statutes is amended by deleting the sum "\$30" wherever it appears in the first paragraph and inserting in lieu thereof the sum "\$50".

**SECTION 32.** Section 88-80 of the Hawaii Revised Statutes is amended by deleting the sum "\$30" wherever it appears and inserting in lieu thereof the sum of "\$50".

**SECTION 33.** Section 88-108 of the Hawaii Revised Statutes is amended by deleting the sum "\$30" wherever it appears and inserting in lieu thereof the sum "\$50".

**SECTION 34.** Section 88-190 of the Hawaii Revised Statutes is amended by deleting the sum "\$30" wherever it appears and inserting in lieu thereof the sum "\$50".

**SECTION 35.** All personnel of the University of Hawaii including the community colleges, appointed pursuant to sections 304-11 and 304-13, Hawaii Revised Statutes, and other employees appointed by the Board of Regents and in effect on June 30, 1969 shall receive an increase in their compensation of at least eight per cent, effective July 1, 1969, and, in addition thereto, an increase of at least eight per cent, effective July 1, 1970. In addition thereto, the University shall increase such compensation on a selective basis on July 1, 1969 and on July 1, 1970 in order to correct existing inequities to the extent possible within funds appropriated and authorized estimated at two per cent of total compensation on July 1, 1969 and two per cent of total compensation on July 1, 1970. There is hereby appropriated out of the general revenues of the State the sum of \$2,701,700 to pay for salary increases and salary adjustments for the fiscal year 1969-1970, effective July 1, 1969 as authorized by this section.

SECTION 36. The sum of \$22,515,130 or so much as may be necessary, is hereby appropriated from the general revenues for increases in compensation effective as of July 1, 1969, up to and including June 30, 1970, provided that the department of budget and finance shall report expenditures made from this appropriation to the next session of the legislature.

The appropriation made by this section shall be allotted by the director of finance to the several boards, commission, and officers of the State concerned and to the several counties. In the case of the counties, the money allotted shall be paid into the county treasuries and held in special funds solely for the authorized purposes. It is provided that special, separate and federal fund monies shall be used to the maximum extent before State funds are utilized and that unexpended funds shall be returned to the State director of finance.

The funds appropriated by this section shall cover the compensation of all officers and employees of the State and counties except:

(a) Personnel of the University of Hawaii including the community colleges for whom an appropriation for salary increases is made in Section 35 of this Act.

(b) Officers and employees of the State whose compensation are paid from federal funds or from special funds of the State whether in whole or in part and whether directly or indirectly to the extent that the amount required to pay the increase in compensation authorized by this Act can be obtained from such federal funds or special funds.

(c) Officers and employees of the board of water supply of the city and county of Honolulu.

SECTION 37. Any State and county officer or employee not specifically provided for in this Act may receive an increase up to ten per cent in their compensation, effective July 1, 1969 and in addition thereto, an increase of up to ten per cent in their compensation effective July 1, 1970.

SECTION 38. Section 76-16 (11), Hawaii Revised Statutes, is amended to read as follows:

“(11) Teachers, principals, vice-principals, district superintendents, chief deputy superintendents, other certificated personnel, and not more than twenty non-certificated administrative, professional, and technical personnel not engaged in instructional work in the department of education, and members of the faculty of the University of Hawaii, including research workers, extension agents, personnel engaged in instructional work and administrative, professional, and technical personnel of the university;”

SECTION 39. All laws and parts of laws heretofore enacted which are in conflict with this Act are amended to conform herewith.

SECTION 40. If any portion of this Act or its application to any person or circumstances is held to be invalid for any reason, then the legislature declares that the remainder of this Act and each and every other provision of this Act shall not be affected.

SECTION 41. This Act shall take effect upon its approval.  
(Approved June 27, 1969.)

A Bill for an Act Relating to Highway Safety and Amending Act 214, Session Laws of Hawaii 1967, as Amended by Act 48, Session Laws of Hawaii 1968, and Certain Chapters in the Revised Laws of Hawaii 1955.

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

SECTION 1. Section 2 of Act 214, Session Laws of Hawaii 1967 is amended in the following respects:

(1) By amending section -110 of the new chapter added thereunder to read as follows:

**“Sec. -110. Designation of examiner of chauffeurs.** Each county, through its legislative body, shall designate one or more persons, residing in the county, each of whom shall be a competent operator of motor vehicles, to be known as the examiner of chauffeurs, and whose duty it shall be to examine into the qualifications and fitness of any person desiring to secure or to renew a license to operate a motor vehicle as provided in this part.”

(2) By amending the first paragraph of section -8 of the new chapter added thereunder to read as follows:

“In order to decrease the deaths, injuries, damage, and losses resulting from highway traffic accidents, the state highway safety coordinator shall, subject to the requirements of chapter 6C, adopt rules and regulations dealing with identification and surveillance of accident locations; highway design, construction, and maintenance; traffic control devices; pedestrian safety; police traffic services; and debris hazard control and clean up.”

(3) By amending section -25 of the new chapter added thereunder by amending subsection (d)(1) to read as follows:

“(1) every vehicle sold or to be sold as a new or used car and not operated on a public highway, shall be certified or carry a current certificate of inspection prior to its operation on a public highway by the buyer thereof; and”.

(4) By adding to part VI of the new chapter added thereunder a new section to be appropriately designated and to read as follows:

**“Sec. . Medical advisory board.** There is established within the office of the state highway coordinator for administrative purposes a medical advisory board consisting of not fewer than five physicians licensed to practice in the State. The members of the board shall be appointed by the governor as provided in section 14A-3, except as otherwise provided by this section. At least one of the members shall be a psychiatrist, at least one shall be a specialist in cardiovascular disease, at least one shall be an ophthalmologist, at least one shall be an optometrist, and at least one shall be an orthopedic surgeon. The members of the board shall serve without compensation but they shall be reimbursed for expenses, including travel expense, actually incurred in the performance of their duties under this chapter.

The duties of the board shall include (1) development of a system for medical evaluation of person whom an examiner of chauffeurs has reason to believe have mental or physical conditions which might impair their driving ability; and (2) furnishing of advice to the examiners of chauffeurs on medical criteria and vision standards with respect to motor vehicle operators and chauffeurs."

(5) By amending subsection -26(b) of the new chapter added thereunder and as amended by Act 48, Session Laws of Hawaii 1968, to read as follows:

"(b) Application for an official inspection permit shall be made upon an official form and shall be granted only when the department is satisfied that the station is properly equipped and has competent personnel to make the required inspections. Before issuing a permit, the department shall require that applicant to file proof that he has, in effect, a liability insurance policy, issued to him by an insurance company, authorized to do business in the State, insuring against the liability of the applicant and any of his employees, in minimum amounts as follows: comprehensive public liability insurance in the amount of \$10,000 for one person and \$20,000 for one accident and comprehensive property damage insurance of \$5,000 provided that the state highway safety coordinator may, by rules and regulations, set higher limits; provided that the proof of insurance need not be filed by an applicant who shall inspect only vehicles owned by the applicant; and provided further that the proof of insurance need not be filed by instrumentalities of the United States.

SECTION 2. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

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H. B. NO. 264

A Bill for an Act Relating to Employment Security and Amending Chapter 93, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 93-73, Revised Laws of Hawaii 1955 is amended to read:

**"Section 93-73. Appeal; correction of assessment or contributions.**

Any person aggrieved by any assessment of a contribution or a penalty or contributions assessed pursuant to this chapter, having paid the contribution or penalty, may appeal from the assessment by filing a written notice of appeal with the department within twenty days after the date of mailing of the notice of assessment to his last known address. The appeal shall be heard by the referee in accordance with applicable provisions of sections 93-37 and 93-38. Any amount determined to have been erroneously paid as a result of the final determination of the appeal in favor of the employing unit, or as a result of a final judgment for the employing unit in an action brought pursuant to section 34-24, shall be refunded, without interest and without the addition of any other charges, in the same manner as other refunds under this chapter. Notwith-

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standing any other provisions of law to the contrary, any amount which is paid under protest or which is covered by any appeal or action referred to in this section shall not be held as a special deposit, but the amount shall in all respects be subject to section 93-121 to the same effect as though the amount had not been paid under protest and was not covered by the appeal or action."

SECTION 2. Section 93-93, Revised Laws of Hawaii 1955 is amended by adding at the end of the second paragraph therein the following sentence: "The director may, in a case of excusable failure to file the report within the required time, remit the penalty."

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

## ACT 130

H. B. NO. 303

A Bill for an Act Relating to Fees for Branch Banks and Branch Offices and Agencies of Building and Loan Associations.

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

SECTION 1. Section 178-40, Revised Laws of Hawaii 1955, is amended to read as follows:

**"Section 178-40. Procedure to open or maintain branch bank; application.** Any bank desiring to open and maintain a branch bank or change the location of an established branch shall file a petition in triplicate with the director of regulatory agencies of the State in a form approved by him and shall state:

- (a) The name of the bank;
- (b) The specific location of the proposed site of the branch bank office;
- (c) Facts showing that there is a reasonable assurance of sufficient volume of business so that the proposed branch is warranted;
- (d) Facts showing that the opening and maintenance of the proposed branch or change of location is justified;
- (e) Every such petition shall be accompanied by a fee of \$150, which shall be deposited to the credit of the general fund of the State.

Upon receipt by the director of regulatory agencies of such petition he shall make an investigation of the conditions and facts contained in such peti-

tion pertinent thereto, and if in his judgment he is satisfied that the establishment of the proposed branch or change of location is justified he shall issue a certificate permitting the organization and maintenance of such branch or change of location of a branch."

**SECTION 2.** Section 180-26, Revised Laws of Hawaii 1955, is amended by adding immediately following the fifth sentence a new sentence to read as follows:

"Every such application shall be accompanied by a fee of \$150, which shall be deposited to the credit of the general fund of the State."

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 27, 1969.)

**ACT 131**

H. B. NO. 329

A Bill for an Act Relating to the Retail Installment Sales Act and Amending Chapter 201A of the Revised Laws of Hawaii 1955.

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

**SECTION 1.** The fourth paragraph of Section 201A-a of the Revised Laws of Hawaii 1955, as amended by Act 285, Session Laws of Hawaii 1967, is hereby further amended to read as follows:

"If the sale is a house-to-house sale, the contract shall bear the notice printed or over stamped following the place for the buyer's signature and in a size and style at least equal to the Notice To The Buyer that: 'You are entitled to cancel this contract if Notice of Cancellation is mailed by certified mail, return receipt requested, and postmarked before midnight of the third business day following the date of your signature, excluding Saturdays, Sundays and holidays. See Notice of Cancellation accompanying this contract.'"

**SECTION 2.** Subsection (f) of the new section added to Chapter 201A by section 8 of Act 285, Session Laws of Hawaii 1967, is amended by amending the third paragraph thereof next following the subtitle, "Statement of Buyer's Rights", to read as follows:

"You may cancel the contract referred to above by completing the notice of cancellation and mailing it by certified mail, return receipt requested, to the seller at the address shown on the contract and postmarked before midnight of

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the third business day after the date you sign the contract or the date on which you received this notice, whichever is later in time, excluding Saturdays, Sundays, and holidays. If you cancel the contract, the seller is entitled to retain out of the down payment, or otherwise recover, a cancellation of 5% of the cash price of the sale, but in no event may the seller retain or recover more than \$15.00 plus the cost of delivery of the merchandise, if delivery is made."

**SECTION 3.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

**SECTION 4.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** Effective date. This Act shall take effect on July 1, 1969.

(Approved June 27, 1969.)

## **ACT 132**

H. B. NO. 394

A Bill for an Act Relating to General Excise Tax Exemptions for Nonprofit Housing Projects.

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

**SECTION 1.** Act 140, Session Laws of Hawaii 1967, is amended by amending subsection (a) of the new section added therein to read as follows:

"(a) For the purposes of this section "nonprofit corporation or association" means a mortgagor who qualifies for an insured mortgage loan under section 221(d) (3), section 236, or section 202 of the National Housing Act as a nonprofit corporation or association."

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act shall take effect retroactive to January 1, 1969.

(Approved June 27, 1969.)

\* Edited accordingly

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H. B. NO. 789

A Bill for an Act Relating to Classes of Liquor Licenses.

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

**SECTION 1.** Section 281-31, Hawaii Revised Statutes, is hereby amended in the following respects:

(a) By amending the last sentence of Class 3 to read as follows:

“Nothing herein shall prevent a wholesaler from selling liquors to post exchanges, ships service stores, army or navy officers’ clubs, or like organizations located on army or navy reservations, or to any vessel other than vessels performing a regular water transportation service between any two or more ports in the State, or to aviation companies who operate an aerial transportation enterprise as a common carrier, under Chapter 269, engaged in regular flight passenger services between any two or more airports in the State for use on aircraft, or aviation companies engaged in transpacific flight operations for use on aircraft outside the jurisdiction of the State.”

(b) By adding a new class immediately following Class 8 thereof, to be designated “Class 9” and to read as follows:

“Class 9. Tour or Cruise Vessel Licenses. A general license may be granted to the owner of any tour or cruise vessel for the sale of liquor (other than alcohol) on board the vessel while in the waters of the State; provided such sales are made only for consumption by passengers on board while the vessel is in operation outside the port or dock of any island of the State. If the vessel has a home port in the State, the license shall be issuable in the county wherein the home port is situated, otherwise in the city and county of Honolulu. If on any vessel for which no license has been obtained under this chapter any liquor is sold or served within three miles of the shore of any island of the State, the same shall constitute a violation of this chapter.”

(c) By renumbering Classes 9 and 10 thereof as Classes 10 and 11 respectively.

(d) By deleting the phrase “classes 7 to 9” in the last paragraph; “Sections 281-57 to 281-61 shall not apply to classes 7 to 9.”, and inserting in lieu thereof “classes 7 to 10.”

**SECTION 2.** This Act shall take effect upon its approval.

(Approved June 27, 1969.)

**ACT 134**

H. B. NO. 890

A Bill for an Act Relating to the Regulation of Home Health Agencies.

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

**SECTION 1.** Section 321-11(10), Hawaii Revised Statutes, is amended to read as follows:

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“(10) Hospitals, maternity homes, convalescent homes, children’s boarding homes, old folks home, and home health agencies;”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

ACT 135

H. B. NO. 1219

A Bill for an Act Relating to Initial Appointments.

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

SECTION 1. Section 77-9, Hawaii Revised Statutes, is amended by deleting the first paragraph and inserting in lieu of said paragraph the following:

“All initial appointments shall be made at the first step of the appropriate salary range. In the event that the recruitment of an employee is not possible at the first step, the director may, after appropriate notice and advertising, recruit at the lowest step within the appropriate salary range at which an employee can be recruited.

“Where deemed essential in the public interest, the director may, with the prior approval of the governor, declare a class in which a shortage occurs to be in a shortage category, and establish the lowest step within the salary range which is fair and reasonable and at which employees can be recruited from the labor market as the minimum salary level for that class.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

ACT 136

S. B. NO. 141

A Bill for an Act Relating to Election by Small Business Corporations for Income Tax Purposes and Amending Chapter 121 of the Revised Laws of Hawaii 1955, as Amended.

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

SECTION 1. Paragraph (1) of subsection 121-24.2(b), Revised Laws of Hawaii 1955, as amended, is hereby further amended by inserting the following phrase “(other than the tax imposed by section 121-24.8)” after the word “chapter” appearing therein.

SECTION 2. Paragraph (4) of subsection 121-24.2(e), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

**“Section 121-24.2(e) (4). Passive Investment Income.** (A) Except as provided in sub-paragraph (B) of this paragraph, an election under subsection (a) made by a small business corporation shall terminate if, for any taxable year of the corporation for which the election is in effect, such corporation has gross receipts more than 20 per cent of which is passive investment income. Such termination shall be effective for the taxable year of the corporation in

which it has gross receipts of such amount, and for all succeeding taxable years of the corporation.

(B) Subparagraph (A) shall not apply with respect to a taxable year in which a small business corporation has gross receipts more than 20 per cent of which is passive investment income, if—

(i) such taxable year is the first taxable year in which the corporation commenced the active conduct of any trade or business or the next succeeding taxable year; and

(ii) the amount of passive investment income for such taxable year is less than \$3,000.

(C) For purposes of this paragraph, the term ‘passive investment income’ means gross receipts derived from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities (gross receipts from such sales or exchanges being taken into account for purposes of this paragraph only to the extent of gains therefrom).”

**SECTION 3.** Section 121-24.3, Revised Laws of Hawaii 1955, as amended, is hereby further amended by deleting the comma appearing after the words “Public Law 85-866” and by inserting the following phrase “and as further amended by Public Law 89-389,” immediately after the words “Public Law 85-866.”

**SECTION 4.** Section 121-24.5, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“Subject to the other provisions of this chapter, long-term capital gain treatment shall be given in the manner and to the extent set forth in section 1375(a) of the Internal Revenue Code of 1954 and under section 121-24.8 of the Revised Laws of Hawaii 1955, as amended, dividends may be apportioned or allocated by the department as provided by section 1375 (c) of the Internal Revenue Code of 1954, and distributions of taxable income for prior years may, subject to regulations of the department as provided by section 1375 (c) of the Internal Revenue Code of 1954, and distributions of taxable income for prior years may, subject to regulations of the department, be made in the manner and with the effect set out in section 1375 (d) of the Internal Revenue Code of 1954, as amended by Public Law 85-866 and as further amended by Public Law 89-389.”

**SECTION 5.** Section 121-24.8, Revised Laws of Hawaii 1955, as amended, is hereby redesignated as section 121-24.9.

**SECTION 6.** There shall be added to chapter 121 of the Revised Laws of Hawaii 1955, as amended, a new section designated as section 121-24.8, to be inserted in its proper numerical order, and to read as follows:

“ **§121-24.8. Tax imposed on certain capital gains.** (a) General Rule. If for a taxable year of an electing small business corporation—

(1) the excess of the net long-term capital gain over the net short-term capital loss of such corporation exceeds \$25,000, and exceeds 50 per cent of its taxable income for such year, and

(2) the taxable income of such corporation for such year exceeds \$25,000—

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there is hereby imposed a tax (computed under subsection (b)) on the income of such corporation.

(b) Amount of Tax. The tax imposed by subsection (a) shall be an amount equal to 3.08 per cent of the amount by which the excess of the net long-term capital gain over the net short-term capital loss of the corporation for the taxable year exceeds \$25,000.

(c) Exceptions.

(1) In general. Subsection (a) shall not apply to an electing small business corporation for any taxable year if the election under section 121-24.2(a) which is in effect with respect to such corporation for such taxable year has been in effect for the three immediately preceding taxable years.

(2) New corporations. Subsection (a) shall not apply to an electing small business corporation if—

(A) it has been in existence for less than 4 taxable years, and

(B) an election under section 121-24.2(a) has been in effect with respect to such corporation for each of its taxable years.

(3) Property with substituted basis. If—

(A) but for paragraph (1) or (2), subsection (a) would apply for the taxable year,

(B) any long-term capital gain is attributable to property acquired by the electing small business corporation during the period beginning three years before the first day of the taxable year and ending on the last day of the taxable year, and

(C) the basis of such property is determined in whole or in part by reference to the basis of any property in the hands of another corporation which was not an electing small business corporation throughout all of the period described in subparagraph (B) before the transfer by such other corporation and during which such other corporation was in existence—

then subsection (a) shall apply for the taxable year, but the amount of the tax determined under subsection (b) shall not exceed 3.08 per cent of the excess of the net long-term capital gain over the net short-term capital loss attributable to property acquired as provided in subparagraph (B) and having a basis described in subparagraph (C)."

**SECTION 7.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 8.** This Act upon its approval, shall apply with respect to taxable years of electing small business corporations beginning on or after January 1, 1969 and in no event shall any sales or exchanges occurring before January 1,

1969, be subject to this Act.

(Approved June 27, 1969.)

**ACT 137**

**S. B. NO. 145**

A Bill for an Act Relating to Taxation Upon Sales Representatives, Amending Chapter 237, Hawaii Revised Statutes.

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

**SECTION 1.** Subsection 237-13(5) of the Hawaii Revised Statutes is hereby amended to read as follows:

“Tax upon sales representatives, etc. Upon every person classified as a representative or purchasing agent under section 237-1, engaging or continuing within the State in the business of performing services for another, other than as an employee, there is likewise hereby levied and shall be assessed and collected a tax equal to four per cent of the commissions and other compensation attributable to the services so rendered by him.”

**SECTION 2.** Section 237-1 of the Hawaii Revised Statutes, as amended, is hereby further amended by adding thereto the following definitions between the definitions of the terms “Person” or “Company” and the terms “Sale” or “Sales,” to read as follows:

“‘Purchasing agent’ means any person who, as an agent and not a seller, for a consideration, is engaged in the State in the business of purchasing for his principal or principals from an unlicensed seller or sellers property for use by such principals in the State, for example, by forwarding orders for such purchases, in behalf of such principals, it being immaterial whether he is compensated for his services by the seller or by the purchaser; but the term ‘purchasing agent’ does not include an employee of the purchaser.

‘Representative’ means any salesman, commission agent, manufacturer’s representative, broker or other person who is authorized or employed by an unlicensed seller to assist such seller in selling property for use in the State, by procuring orders for such sales or otherwise, and who carries on such activities in the State, it being immaterial whether such activities are regular or intermittent; but the term ‘representative’ does not include a manufacturer’s representative whose functions are wholly promotional and to act as liaison between an unlicensed seller and a seller or sellers, and which do not include the procuring, soliciting or accepting of orders for property or the making of deliveries of property, or the collecting of payment for deliveries of property, or the keeping of books of account concerning property orders, deliveries or collections transpiring between an unlicensed seller and a seller or sellers. Any unlicensed seller who in person carries on any such activity in the State shall also be classed as a representative.”

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

(Approved June 27, 1969.)

## ACT 138

ACT 138

S. B. NO. 672

A Bill for an Act Relating to the Department of Budget and Finance, Making Supplementary Appropriations Out of the General Revenues to Cover Certain Deficiencies for the Fiscal Year Ending June 30, 1969.

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

SECTION 1. The purpose of this Act is to provide supplementary appropriations that are necessary to meet the cost of certain affected programs and services for the remainder of the fiscal year ending June 30, 1969.

SECTION 2. The sum of \$1,390,507, or so much thereof as may be necessary, is appropriated out of the general funds to the department of budget and finance to be allocated by the department to the affected agencies concerned. These funds shall be used to supplement any prior appropriations made for the specified purposes by any other Act, out of moneys in the treasury received from general revenues. The allocation to be made by the department of budget and finance shall be as follows:

SOCIAL SERVICES, DEPARTMENT OF Economic Assistance Program for Indigents and Medical Indigents .....	\$1,348,621
HEALTH, DEPARTMENT OF Lanai Community Hospital .....	41,886

SECTION 3. All unexpended and unencumbered balances of the appropriations made by this Act as of the close of business on June 30, 1969, shall lapse into the general fund of the State.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

ACT 139

S. B. NO. 811

A Bill for an Act Relating to the Practice of Osteopathy.

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

SECTION 1. Section 460-1, Hawaii Revised Statutes, is amended by amending the first paragraph to read as follows:

**"License to practice.** No person shall practice as an osteopathic physician or surgeon either gratuitously or for pay, or shall offer to so practice, or shall advertise or announce himself, either publicly or privately, as prepared or qualified to so practice, or shall append the letters 'DR.' or the letters 'D.O.' to his name, with the intent thereby to imply that he is a practitioner as an osteopathic physician or osteopathic physician and surgeon, without having a valid unrevoked license, obtained from the board of osteopathic examiners, in form and manner substantially as hereinafter set forth."

SECTION 2. Section 460-3, Hawaii Revised Statutes, is amended to read as follows:

**“Board of osteopathic examiners.** No person shall be licensed by the board to practice as an osteopathic physician or as an osteopathic physician and surgeon unless the applicant has been duly examined and found to be possessed of the necessary qualifications, or found to be otherwise qualified as herein provided.”

SECTION 3. Section 460-4, Hawaii Revised Statutes, is amended by amending the first sentence of the second paragraph to read as follows:

“The board shall examine all applicants for licenses to practice as osteopathic physicians or as osteopathic physicians and surgeons.”

SECTION 4. Section 460-9, Hawaii Revised Statutes, is amended in the following respects:

A. The first paragraph down to the colon is amended to read as follows:

**“Foreign license.** The board of osteopathic examiners, may, in its discretion, issue a license, without examination, to a practitioner who has been licensed in any country, state, territory, or province, upon the following conditions:

B. The first two paragraphs immediately following item (4) are amended to read as follows:

“The board may also, in its discretion, accept the examination of the national board of examiners for osteopathic physicians and surgeons in lieu of its own examination and may issue a license to an applicant presenting a certificate from the national board of examiners for osteopathic physicians and surgeons upon the basis of the examination of the national board provided the applicant otherwise meets the requirements of the laws of this State.

The board may also, in its discretion, issue a license, without examination, to an osteopathic physician who is a graduate of an approved osteopathic college in good standing and who has passed an examination for admission into the medical corps of the United States army, United States navy, or the United States public health service.”

SECTION 5. Section 460-12, Hawaii Revised Statutes, is amended by amending the first paragraph down to the colon to read as follows:

**“Refusal and revocation of license.** The board may refuse to issue a license, or may suspend or revoke any license at any time in a proceeding before the board upon any one or more of the following grounds:

SECTION 6. Section 460-13, Hawaii Revised Statutes, is hereby repealed.

SECTION 7. Section 460-14, Hawaii Revised Statutes, is amended to read as follows:

**“Notice of charges; hearing.** In any proceedings before the board for the revocation or suspension of a license under this chapter, upon any of the grounds listed in section 460-12, the person whose license is sought to be re-

## **ACT 140**

voked or suspended shall be given, pursuant to chapter 91, reasonable written notice of the charge or charges upon which the proceeding is based and of the time and place where a hearing will be held and shall be given reasonable opportunity to be heard and present evidence in his defense.

In any such proceeding, the board may subpoena, administer oaths to, and examine witnesses on any relevant matter in such proceeding. The person whose license is sought in such proceeding to be revoked or suspended shall be entitled to require the board or any member thereof to subpoena and to administer oaths to any witness or witnesses who may be able to present evidence relevant in such proceeding, and shall be entitled to examine any such witness and any other witness in such proceeding. The circuit court of the circuit in which the proceeding is held shall have power to enforce by proper proceeding the attendance and testimony of witnesses in such proceeding.

If any person called before the board as a witness in such proceeding, whether under subpoena or otherwise, except as privileged by law, refuses to answer any question which is relevant to the proceeding and is put to him by the board, a member thereof or the person whose license is sought to be revoked or suspended in such proceeding, or disobeys any order of the circuit court relating to the proceeding, the board shall report the matter in writing to any judge of the circuit court of the circuit in which such proceeding is held and such person shall be cited to appear before the circuit judge to show cause why he should not be punished for contempt of court under chapter 729.

Any person who wilfully and knowingly makes, under oath, any false statement in connection with any such proceeding before the board shall be guilty of perjury and shall be subject to the penalty prescribed by law for perjury. Whenever the board is satisfied that a witness has committed perjury in any proceeding before the board, it shall report the same to the prosecuting officer of the county in which the perjury took place, who shall prosecute the witness for perjury."

**SECTION 8.** Section 460-15, Hawaii Revised Statutes, is amended to read as follows:

**"Restoration of license.** At any time following the suspension or revocation of a license, the board may restore such license with all of its original rights and privileges."

**SECTION 9.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 10.** This Act shall take effect July 1, 1969.

(Approved June 27, 1969.)

## **ACT 140**

S. B. NO. 930

A Bill for an Act Relating to Soil and Water Conservation Districts.

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

\* Edited accordingly

SECTION 1. The second paragraph of section 180-6, Hawaii Revised Statutes, is hereby amended to read as follows:

"Occupiers of lands lying within the proposed district shall be entitled to vote on the proposition of the creation of the district and in the election of district directors. Voting shall be by ballots on which shall appear the words 'For Creation of the--Soil and Water Conservation District,' and 'Against Creation of the--Soil and Water Conservation District,' with a square before each proposition and a direction to mark the square before one or the other of the propositions as favored by the voter. The names of candidates nominated for district directors shall also appear on ballots with a square before each name and a direction to mark the square before any three names to indicate the voter's preference; provided that if the number of candidates nominated for district directors does not exceed the number of vacancies, the department of land and natural resources shall certify the election of the candidates nominated. The department shall adopt rules and regulations relating to the conduct and payment of all expenses relating to the referenda and elections."

SECTION 2. This Act shall take effect upon its approval.

(Approved June 27, 1969.)

ACT 141

H. B. NO. 309

A Bill for an Act Relating to Community Physician Program and Amending Act 299 of the Session Laws of Hawaii 1967.

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

SECTION 1. Part V of Act 299, Session Laws of Hawaii 1967, is amended in the following respects:

(a) By amending section 10 to read as follows:

"Section 10. **Purpose.** Multiproblem neighborhoods have severe health needs. It is apparent that the economic hardships prevalent in these communities make it impossible to support a resident physician without public support. It is the purpose of this part to provide for a physician for the Waianae-Nanakuli community."

(b) By amending section 11 to read as follows:

"Section 11. **Community physician contracts.** With the approval of the governor, the department of health may enter into an agreement and contract with physicians licensed to practice medicine and surgery in the State for the purpose of providing medical services to the Waianae-Nanakuli community, the Waimanalo community, and any other community in the State determined to be in need of a subsidized resident physician as provided in this part, such agreement or contract to provide for the following:

(1) A guarantee to a physician of not more than \$36,000 from all sources, including any subsidy provided by this part, and which, shall be subject to taxation to the extent provided for in chapters 117 and 121, Revised Laws of Ha-

## **ACT 142**

waii 1955; and

(2) That the State pay annually to the physician a subsidy extent that his annual gross income from all sources, including but not limited to medical payments made by the department of social services, private fees, and all other taxable income as defined by chapter 121, Revised Laws of Hawaii 1955, does not amount to more than \$36,000.

(3) That the physician take up and be a permanent resident of the community.

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act shall take effect upon its approval; provided that the provisions of section 1(b) of this Act shall be applicable to any existing Waianae-Nanakuli physician contract to the extent deemed fair and reasonable by the director of health.

(Approved June 29, 1969.)

## **ACT 142**

H. B. NO. 314

A Bill for an Act Relating to Expenditure of Public Money and Amending Chapter 9, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 9-21, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding the following phrase immediately after the phrase "\$4000 or more":

"in the case of a county or any board, bureau, department or agency thereof, and \$8000 or more in the case of the State or any department thereof"

**SECTION 2.** Section 9-21, Revised Laws of Hawaii 1955, as amended, is amended by adding at the end of the first sentence a new sentence to read as follows:

"In all cases of expenditures of public money by the State or any department thereof that is more than \$4000 but less than \$8000, a call for informal bids shall be published at least once in a newspaper of general circulation printed and published within the State."

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs

later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword or renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 29, 1969.)

**ACT 143**

H. B. NO. 765

A Bill for an Act Relating to Variable Annuity Contracts; and Amending Chapters 181 and 199, Revised Laws of Hawaii, 1955, as Amended.

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

**SECTION 1.** Chapter 181, Revised Laws of Hawaii, 1955, as amended, is amended by adding new section 181-552 to read as follows:

**“Sec. 181-552. Variable Annuity contracts.** “(a) A domestic life insurance company may, by or pursuant to resolution of its board of directors, establish one or more separate accounts, and may allocate thereto amounts to provide for annuities (and benefits incidental thereto), payable in fixed or variable amounts or both, subject to the following:

“(1) The income, gains and losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the account, without regard to other income, gains or losses of the company.

“(2) Except as hereinafter provided, amounts allocated to any separate account and accumulations thereon may be invested and reinvested without regard to any requirements or limitations prescribed by the laws of this state governing the investments of life insurance companies; provided, that to the extent that the company’s reserve liability with regard to (i) benefits guaranteed as to amount and duration, and (ii) funds guaranteed as to principal amount or stated rate of interest is maintained in any separate account, a portion of the assets of such separate account at least equal to such reserve liability shall be, except as the commissioner may otherwise approve, invested, in accordance with the laws of this State governing the investments of life insurance companies. The investments in such separate account or accounts shall not be taken into account in applying the investment limitations otherwise applicable to the investments of the company.

“(3) Unless otherwise approved by the commissioner, assets allocated to a separate account shall be valued at their market value on the date of valuation, or if there is no readily available market, then as provided under the terms of the contract or the rules or other written agreement applicable to such separate account; provided, that unless otherwise approved by the commissioner, a portion of the assets of such separate account equal to the company’s reserve liability with regard to the guaranteed benefits and funds referred to in clauses

## ACT 143

(i) and (ii) of subsection (a) (2) of this section, if any, shall be valued in accordance with the rules otherwise applicable to the company's assets.

"(4) Amounts allocated to a separate account in the exercise of the power granted by this section shall be owned by the company, and the company shall not be, nor hold itself out to be, a trustee with respect to such amounts. That portion the assets of any such separate account equal to the reserves and other contract liabilities with respect to such account shall not be chargeable with liabilities arising out of any other business the company may conduct.

"(5) No sale, exchange or other transfer of assets may be made by a company between any of its separate accounts or between any other investment account and one or more of its separate accounts unless, in case of a transfer into a separate account, such transfer is made solely to establish the account or to support the operation of the contracts with respect to the separate account to which the transfer is made, and unless such transfer, whether into or from a separate account, is made (i) by a transfer of cash, or (ii) by a transfer of securities having a readily determinable market value, provided that such transfer of securities is approved by the commissioner. The commissioner may approve other transfers among such accounts, if in his opinion, such transfers would not be inequitable.

"(6) To the extent such company deems it necessary to company\* with any applicable federal or state laws, such company, with respect to any separate account, including without limitation any separate account which is a management investment company or a unit investment trust, may provide for persons having an interest therein appropriate voting and other rights and special procedures for the conduct of the business of such account, including without limitation special rights and procedures relating to investment policy, investment advisory services, selection of independent public accountants, and the selection of a committee, the members of which need not be otherwise affiliated with such company, to manage the business of such account.

"(b) (1) Any variable contract providing benefits payable in variable amounts delivered or issued for delivery in this state shall contain a statement of the essential features of the procedures to be followed by the insurance company in determining the dollar amount of such variable benefits. Any such contract, including a group contract and any certificate in evidence of variable benefits issued thereunder, shall state that such dollar amount will vary to reflect investment experience and shall contain on its first page a statement to the effect that the benefits thereunder are on a variable basis.

"(2) Variable annuity contracts delivered or issued for delivery in this state may include as an incidental benefit provision for payment on death during the deferred period of an amount not in excess of the greater of the sum of the premiums or stipulated payments paid under the contract or the value of the contract at time of death. Any such provision shall not be deemed to be life insurance and therefore not subject to the provisions of this chapter governing life insurance carriers. A provision for any other benefit on death during the deferred period shall be subject to such insurance provisions.

"(c) No company shall deliver or issue for delivery within this state contracts under this section unless it is licensed or organized to do a life insurance

\* So in original

or annuity business in this state, and the commissioner is satisfied that its condition or method of operation in connection with the issuance of such contracts will not render its operation hazardous to the public or its policyholders in this state. In this connection, the commissioner shall consider among other things:

- (1) The history and financial condition of the company;
- (2) The character, responsibility and fitness of the officers and directors of the company; and
- (3) The law and regulation under which the company is authorized in the state of domicile to issue variable contracts.

A company which issues variable contracts and which is a subsidiary of, or affiliated through common management or ownership with, another life insurance company authorized to do business in this state shall be deemed to have met the provisions of this subsection if either it or the parent or affiliated company meets the requirements hereof.

“(d) Notwithstanding any other provision of law, the commissioner shall have sole and exclusive authority to regulate the issuance and sale of variable contracts and to provide for licensing of persons selling such contracts, and to issue such reasonable rules and regulations as may be appropriate to carry out the purposes and provisions of this section.

“(e) The provisions of section 181-533 through 181-542 shall be inapplicable to variable contracts, nor shall any provision in chapter 181 requiring contracts to be participating be deemed applicable to variable contracts. The commissioner, by regulation, may require that any individual variable annuity contract, delivered or issued for delivery in this state, contain provisions as to grace period, reinstatement or nonforfeiture which are appropriate to a variable annuity. Except as otherwise provided in this section, all pertinent provisions of this chapter shall apply to separate accounts and contracts relating thereto. The reserve liability for variable annuities shall be established in accordance with actuarial procedures that recognized the variable nature of the benefits provided and any mortality guarantees.”

**SECTION 2.** The last sentence of Subsection (1) of section 199-1, Revised Laws of Hawaii, 1955, as amended, is hereby amended by inserting a period after the words “annuity contract” and deleting the remainder of that sentence.

**SECTION 3.** Subsection (e) of Section 199-4, Revised Laws of Hawaii, 1955, as amended, is amended by deleting the remainder of the subsection after the semi-colon beginning with the words “but this”.

**SECTION 4.** This Act shall take effect 120 days after its approval.

(Approved June 29, 1969.)

## **ACT 145**

Therefor.

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

**SECTION 1.** The following respective sums of money are hereby appropriated out of the general revenues of the State of Hawaii for the purpose of compensating the following named persons pursuant to Chapter 351, Hawaii Revised Statutes, the Criminal Injuries Compensation Act, in the amounts set opposite their respective names:

BOSTON, THOMAS	\$100.00
Victim of intermediate assault and battery	
BRICKSON, WENDY E.	400.00
Victim of intermediate assault and battery	
MEYER, FRANCIS H.	500.00
Victim of aggravated assault and battery	

**SECTION 2.** The sums hereinabove appropriated shall be paid upon warrants issued by the comptroller of the State upon vouchers approved by the director of the department of budget and finance.

**SECTION 3.** If any portion of this Act or its application to any circumstances or person is held invalid for any reason, the remainder thereof shall not be affected thereby.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved June 29, 1969.)

## **ACT 145**

S. B. NO. 891

A Bill for an Act Relating to Progressive Neighborhoods Program.

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

**SECTION 1.** For the purpose of this Act, "Act 299" means Act 299, Session Laws of Hawaii 1967, as amended by Act 52, Session Laws of Hawaii 1968.

**SECTION 2.** Section 4 of Act 299 is amended in the following respects:

(1) By amending paragraph (a) to read as follows:

"(a) The task force shall be appointed by the governor. The basic members of the task force shall be the state administrative director, the director of social services, the director of health, the superintendent of education, the director of labor and industrial relations, a judge of the family court of the first circuit, the president of the university of Hawaii, the director of the Hawaii office of economic opportunity, and three members of the general public or their representatives. The task force shall also include at least two citizens of the target area, the exact number being left to the discretion of the governor. In the event the task force undertakes its endeavors in a neighborhood other than on the island of Oahu, the task force shall also include a judge of the family court of the circuit in which the neighborhood is located. The state administrative director shall serve as chairman."

(2) By amending paragraph (b) to read as follows:

“(b) The task force shall meet at least once a month while studying a particular target neighborhood. Citizen members of the task force shall be compensated in an amount not to exceed \$20 per meeting attended. The task force shall undertake its endeavors in those areas selected by the basic members of the task force; except that it shall commence its endeavors with the Nanakuli-Waianae and Kalihi-Palama areas.”

(3) By deleting paragraphs (d) and (e).

SECTION 3. Part IV of Act 299 is amended in the following respects:

(1) By amending the Part heading to read as follows:

**“CHILDREN AND YOUTH PROJECTS”.**

(2) By amending section 9 to read as follows:

“9. **Authorization.** The department of health is authorized to establish children and youth projects to provide comprehensive health services for the children and youths in areas determined by the governor, upon recommendation of the task force, to be in need of such projects.”

SECTION 4. Act 299 is amended by adding a new part to be appropriately numbered and to read as follows:

**“PART . COMMUNITY SERVICE CENTERS.**

Section . **Purpose.** The problems faced by low-income disadvantaged persons are multiple, among which are: inadequate education, poor mental and physical health, unemployment and underemployment, substandard housing, disorganized family life, isolation from the decision-making processes on policies, programs, and services which directly affect them, and alienation from established governmental programs. Experiences of agencies such as the community action programs and the model cities programs have shown that the low-income residents are not aware of the many services available to them. These services are generally inaccessible to them because of both physical and psychological distance. The service institutions have become overspecialized which has resulted in persons being required to deal with several governmental agencies whose services should be coordinated.

It is the purpose of this part to establish community service centers on an exemplary and demonstration basis in those areas selected by the basic members of the task force; except that centers shall be established in the Waianae-Nanakuli, the Kalihi-Palama, the Waimanalo, and the Palolo areas first.

Section . **Authorization.** The governor's office is authorized to establish four positions for the purposes of this part and a center manager and a secretary for each center, without regard to chapter 76 and 77.

The manager shall be responsible for coordinating the delivery of services to families and individuals by employees of the various departments who are assigned to the area served by the center.”

SECTION 5. Appropriation. There is appropriated to the governor's office out of the general revenues of the State the sum of \$70,800 for the purpose

## **ACT 146**

of the community service centers.

**SECTION 6.** Annual report. The governor's office shall file an annual report on the program to the Legislature at least twenty days before the convening of each regular session.

**SECTION 7.** This Act shall take effect on July 1, 1969.

(Approved June 29, 1969.)

## **ACT 146**

S. B. NO. 985

A Bill for an Act Relating to Professional Engineers, Architects and Land Surveyors, and Amending Section 464-13 of the Hawaii Revised Statutes.

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

**SECTION 1.** Purpose. It appears that under the provisions of chapter 464 of the Hawaii Revised Statutes a duly licensed architect or structural engineer's stamp is required on all plans in which the estimated cost of privately owned or controlled one-story building exceeds \$20,000 or to any privately owned or controlled two-story building, dwelling or structure in which the estimated cost exceeds \$15,000.

The last amendment to this chapter was made in 1961. Since 1961, however, the cost of materials and labor has risen tremendously, whereby a \$35,000 structure of today would have cost \$20,000 in 1961. The requirement of architect or engineer's stamp further increases the cost of a structure.

**SECTION 2.** Section 464-13 of the Hawaii Revised Statutes is hereby amended to read as follows:

**"Section 464-13. Structures exempted from provisions of chapter."**

The provisions of this chapter shall not apply to work in respect to any privately owned or privately controlled one-storied building, dwelling or structure, the estimated cost of which does not exceed \$35,000, nor to any privately controlled two-storied building, dwelling or structure, the estimated cost of which does not exceed \$30,000; provided that no structure, dwelling or building in which the principal structural members consist of reinforced concrete or structural steel having riveted, bolted or welded connections shall be exempted from this chapter."

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

(Approved June 29, 1969.)

## **ACT 147**

H. B. NO. 49

A Bill for an Act Relating to Payment of Subcontractors and Amending Chapter 444 of the Hawaii Revised Statutes.

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

**SECTION 1.** Findings and purpose. The legislature finds that a substantial number of subcontractors who contract to sell goods and services to contractors must frequently wait 90 to 120 or more days to receive payment. The purpose of this Act is to require prompt payment on such contracts.

**SECTION 2.** Chapter 444 of the Hawaii Revised Statutes is amended by adding the following new section to be appropriately designated and to read as follows:

**“Sec. 444- . Payment for goods and services.** A contractor shall pay his subcontractor for any goods and services rendered within sixty days after receipt of a proper statement by the subcontractor that the goods have been delivered or services have been performed. The subcontractor shall be entitled to receive interest on the unpaid principal amount at the rate of one percent per month commencing on the sixtieth day following receipt of the statement by the contractor, provided that this section shall not apply if the delay in payment is due to a bona fide dispute between the contractor and the subcontractor concerning the goods and services contracted for.

“If payment is contingent upon receipt of funds held in escrow or trust, the contractor shall clearly state this fact in his solicitation of bids. If the solicitation for bids contains the statement that the time of payment is contingent upon the receipt of funds held in escrow or trust and a contract is awarded in response to the solicitation, interest will not begin to accrue upon any unpaid balance until the sixtieth day following receipt by the contractor of the subcontractor’s statement or the thirtieth day following receipt of the escrow or trust funds, whichever occurs later.”

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

(Approved June 30, 1969.)

**ACT 148**

**H. B. NO. 55**

A Bill for an Act to Establish the Hawaii Temporary Disability Insurance Law.

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

**SECTION 1.** The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER  
TEMPORARY DISABILITY INSURANCE**

**PART I. SHORT TITLE; PURPOSE; DEFINITIONS**

**Sec. -1. Short title.** This chapter shall be known as the Hawaii Temporary Disability Insurance Law.

**Sec. -2. Findings and purpose.** A large portion of the labor force of this State annually is disabled from pursuing gainful employment by reason of

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nonoccupational sickness or accident and as a result suffers serious loss of income. In approximately ten percent of the cases such sickness or accident can be expected to cause disability of more than one week's duration. More than two-fifths of the employees in private employment have either no fixed legal protection against wage loss from disabling nonoccupational sickness or accident, or only protection for a period of one work week or less; more than one-third of the workers covered by formal sick leave plans are not protected against disability extending beyond two work-weeks. Since the hardship for workers and their families mounts with the extension of the duration of the disability from whatever cause, there is a need to fill the existing gaps in protection and to provide benefits to individuals in current employment that will afford to them reasonable compensation for wage loss caused by disabling non-occupational sickness or accident where the disability is temporary in nature and exceeds the period of one work-week. This legislation is designed not to impede the growth of voluntary plans which afford additional protection.

This chapter shall be liberally construed in the light of the stated reasons for its enactment and its declared purpose.

**Sec. -3. Definitions generally.** As used in this chapter, unless the context clearly requires otherwise:

(1) "Benefit year" with respect to any individual means the one-year period beginning with the first day of the first week of disability with respect to which the individual first files a valid claim for temporary disability benefits. A subsequent benefit year is the one-year period following a preceding benefit year, beginning either (A) with the first day of the first week of disability with respect to which the individual files a subsequent claim for temporary disability benefits, or (B) with the first work-day following the expiration of the preceding benefit year if a disability for which temporary disability benefits are payable during the last week of the preceding benefit year continues and the individual is eligible for further benefit payments.

(2) "Contributions" mean the amounts of money authorized by this chapter to be withheld from employees' wages for the payment of temporary disability benefits.

(3) "Department" means the department of labor and industrial relations.

(4) "Director" means the director of labor and industrial relations.

(5) "Disability" means total inability of an employee to perform the duties of his employment caused by sickness or accident other than a work injury as defined in section 386-3. Disability does not include total inability of an employee to perform the duties of her employment caused by pregnancy. But if pregnancy or the termination of pregnancy produces complications resulting in sickness causing total disability, this is included within the term "disability".

(6) "Employer" means any individual or type of organization, including the State, any of its political subdivisions, any instrumentality of the State or its political subdivisions, any partnership, association, trust, estate, joint stock company, insurance company, or corporation, whether domestic or foreign, or receiver or trustee in bankruptcy, or the legal representative of a deceased per-

son, who has one or more individuals in his employment during any day or portion of a day.

(7) "Employment" and "employed" means service, including service in interstate commerce, performed for wages under any contract of hire, written or oral, express or implied, with an employer, except as otherwise provided in section -4 and -5.

(8) "Wages" mean all remuneration for services from whatever source, including commissions and bonuses, and the cash value of all remuneration in any medium other than cash but not including tips or gratuities paid directly to any individual by a customer of his employer and not accounted for by the individual to his employer.

The director may issue regulations for the reasonable determination of the cash value of remuneration in any medium other than cash.

Wages do not include the amount of any payment specified in section 383-11.

(9) "Weekly benefit amount" means the amount payable under this chapter for a period of continuous disability throughout a calendar week. If the period of disability or the initial or terminal portion thereof is shorter than a calendar week, the benefit amount payable for that portion shall be the weekly benefit amount multiplied by a factor consisting of a quotient having the number of work-days lost during the portion of the week for the numerator and the number of regular work-days of the employee during a calendar week for the denominator.

**Sec. -4. Place of performance.** (a) "Employment" includes an individual's entire service, performed within or both within and without this State if

(1) The service is localized in this State; or

(2) The service is not localized in any state but some of the service is performed in this State and (A) the individual's base of operation, or, if there is no base of operation, the place from which such service is directed or controlled, is in this State; or (B) the individual's base of operation or place from which the service is directed or controlled is not in any state in which some part of the service is performed but the individual's residence is in this State.

(b) The term "employment" also includes all service performed by an officer or member of the crew of an American vessel on or in connection with such vessel; provided that the operating office from which the operations of the vessel operating on navigable waters within or within and without the United States is ordinarily and regularly supervised, managed, directed, and controlled is within this State.

**Sec. -5. Excluded services.** "Employment" as defined in section -3 does not include the following service:

(1) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, performed in any calendar quarter by an individual if the cash remuneration paid by the employer for such service is less than \$225;

(2) Service not in the course of the employer's trade or business per-

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formed in any calendar quarter by an individual, unless the cash remuneration paid for the service is \$50 or more and the service is performed by an individual who is regularly employed by the employer to perform the service. An individual shall be deemed to be regularly employed to perform service not in the course of the employer's trade or business during a calendar quarter only if (A) on each of some twenty-four days during the quarter the individual performs the service for some portion of the day, or (B) the individual was regularly employed (as determined under clause (A)) by the employer in the performance of the service during the preceding calendar quarter;

(3) Service performed on or in connection with a vessel not an American vessel, if the individual performing the service is employed on and in connection with the vessel when outside the United States;

(4) Service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including service performed as an ordinary incident thereto, except (A) the service performed in connection with a vessel of more than ten net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States), and (B) the service performed in connection with a vessel of ten net tons or less (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States) by an individual who is employed by an employer who, for some portion in each of twenty different calendar weeks in either the current or preceding calendar year, had in his employ one or more persons performing the service, whether or not the weeks were consecutive and whether or not the same individuals performed the service in each week, and (C) service performed in connection with the catching or taking of salmon or halibut for commercial purposes;

(5) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one in the employ of his father or mother;

(6) Service performed in the employ of the United States government or an instrumentality of the United States exempt under the Constitution of the United States from the contributions imposed by this chapter.

(7) Service performed in the employ of any other state, or any political subdivision thereof, or any instrumentality of any one or more of the foregoing which is wholly owned by one or more such states or political subdivisions; and any service performed in the employ of any instrumentality of one or more other states or their political subdivisions to the extent that the instrumentality is, with respect to such service, exempt from the tax imposed by section 3301 of the Internal Revenue Code of 1954;

(8) Service with respect to which temporary disability compensation is payable for sickness under a temporary disability insurance system established by an act of Congress;

(9) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501 of the Internal Revenue Code of 1954, if (A) the remuneration for such service is less than \$50, or (B)

the service is performed by a student who is enrolled and is regularly attending classes at a school, college, or university, or (C) the service is performed by a duly ordained, commissioned, or licensed minister or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of nonsecular duties required by the order;

(10) Service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of the association or their dependents, if (A) no part of its net earnings inures (other than through such payments) to the benefit of any private shareholder or individual, and (B) eighty-five percent or more of its income consists of amounts collected from members and amounts contributed by the employer of the members for the sole purpose of making such payments and meeting expenses;

(11) Service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of the association or their dependents or their designated beneficiaries, if (A) admission to membership in the association is limited to individuals who are officers or employees of the United States government, and (B) no part of the net earnings of the association inures (other than through such payments) to the benefit of any private shareholder or individual;

(12) Service performed in the employ of a school, college, or university, not exempt from income tax under section 501 of the Internal Revenue Code of 1954, if the service is performed by a student who is enrolled and is regularly attending classes at the school, college, or university;

(13) Service performed in the employ of an instrumentality wholly owned by a foreign government, if: (A) the service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and (B) the United States Secretary of State has certified or certifies to the United States Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof;

(14) Service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered or approved pursuant to state law;

(15) Service performed by an individual for an employer as an insurance agent or as an insurance solicitor, if all such service performed by the individual for the employer is performed for remuneration solely by way of commission;

(16) Service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(17) Service covered by an arrangement between the department and the

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agency charged with the administration of any other state or federal unemployment compensation law pursuant to which all services performed by an individual for an employer during the period covered by the employer's duly approved election, are deemed to be performed entirely within the agency's state;

(18) Service performed by an individual who, pursuant to the Federal Economic Opportunity Act of 1964, is not subject to the federal laws relating to unemployment compensation.

**Sec. -6. "Individual in current employment".** "Individual in current employment" means an individual who performed regular service in employment immediately or not longer than two weeks prior to the onset of the sickness or to the accident causing disability and who would have continued in or resumed employment except for such disability.

**Sec. -7. Average weekly wage.** The "average weekly wage" for the purpose of computing the weekly benefit amount shall be based upon the wages that the employee would receive from his employer except for his disability. In the case of salaried employees the "average weekly wage" shall be the weekly salary of the employee in the last week prior to the commencement of disability.

## **PART II. TEMPORARY DISABILITY BENEFITS**

**Sec. -20. Establishment of temporary disability benefits.** (a) Any individual in current employment who suffers disability resulting from accident, or sickness, except accident or disease connected with or resulting from employment as defined in Section 386-3 or any other applicable workmen's compensation law, shall be entitled to receive temporary disability benefits in the amount and manner provided in this chapter.

(b) It is the policy of this chapter that the computation and distribution of benefit payments shall correspond to the greatest extent feasible, to the employee's wage loss due to his disability; that an employee shall not be entitled to temporary disability benefits for periods of disability during which he would not have earned wages from employment according to the schedule of operations of his employer, and that an employee is entitled to benefits only for periods of disability during which, but for the disability, he would have earned wages from employment.

**Sec. -21. Weekly benefit amount.** Benefits shall be computed as weekly amounts in the manner provided in this section.

(1) If the average weekly wage of the employee is less than \$25, the weekly benefit amount shall be equal to the average weekly wage but not more than \$14.

If the average weekly wage of the employee is \$25 or more the weekly benefit amount shall be fifty-five percent of the average weekly wage rounded off to the nearest \$1.

(2) If the average weekly earnings of the employee exceed an amount equal to one fifty-second of the product obtained by multiplying the amount of the average annual wage in Hawaii, as determined pursuant to section 383-

22(b) by the factor 1.21, such excess shall not be included in the computation of the weekly benefit amount.

(3) Notwithstanding any provision in paragraphs (1) and (2) to the contrary, the weekly benefit amount shall not exceed the maximum weekly benefit specified in section 386-31.

**Sec. -22. Duration of benefit payments.** Temporary disability benefits shall be payable for any period of disability following the expiration of the waiting period required in section -23.

The duration of benefit payments shall not exceed twenty-six weeks for any period of disability or during any benefit year.

**Sec. -23. Waiting period.** No temporary disability benefits shall be payable during the first seven consecutive days of any period of disability. Consecutive periods of disability due to the same or related cause and not separated by an interval of more than two weeks shall be considered as a single period of disability.

**Sec. -24. Eligibility for benefits.** An individual is eligible to receive temporary disability benefits if he has been in employment for at least fourteen weeks during each of which he has received remuneration in any form for twenty or more hours and earned wages of at least \$400, during the four completed calendar quarters immediately preceding the first day of disability.

**Sec. -25. Care by physician or equivalent required.** (a) An individual shall be ineligible to receive temporary disability benefits with respect to any period during which he is not under the care of a person duly licensed to practice medicine, surgery, or dentistry, who shall certify, in the form and manner specified by regulation of the director, the disability of the claimant, the probable duration thereof, and such other medical facts within his knowledge as required by regulation.

(b) This section shall not apply to an individual who, pursuant to the teachings, faith, or belief of any group, depends for healing upon prayer or other spiritual means. In that case the disability, the probable duration thereof, and any other pertinent facts required to be certified by regulation of the director shall be certified, in the form and manner specified by the regulation, by a duly authorized or accredited practitioner of such group.

**Sec. -26. Ineligibility in certain cases.** An individual shall not be eligible to receive temporary disability benefits:

(1) For any period of disability during which he would be disqualified from receiving benefits under the Hawaii Employment Security Law by reason of unemployment due to a stoppage of work existing because of a labor dispute for the duration of such disqualification.

(2) If the director finds that the individual has knowingly made a false statement or representation of a fact or knowingly failed to disclose a material fact in order to obtain benefits under this chapter to which he is not otherwise entitled. The ineligibility shall be for a period determined by the director, but shall not exceed the period of disability with respect to which the false statement or representation was made or the nondisclosure occurred.

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(3) For any period of disability due to wilfully and intentionally self-inflicted injury or to injury sustained in the commission of a criminal offense specified in title 38.

(4) For any day of disability during which the employee performed work for remuneration or profit.

**Sec. -27. Duplication of benefits not permitted.** No temporary disability benefits shall be payable for any period of disability for which the employee is entitled to receive:

(1) Weekly benefits under the Employment Security Law or similar laws of this State or of any other state or of the United States, or under any temporary disability benefits law of any other state or of the United States except as provided in section -45.

(2) Weekly disability insurance benefits under 42 U.S.C.A. sec. 423.

(3) Weekly benefits for total disability under the Workmen's Compensation Law of this State or any other state or of the United States, except benefits for permanent partial or permanent total disability previously incurred. If the claimant does not receive benefits under such workmen's compensation law and his entitlement to such benefits is seriously disputed, the employee, if otherwise eligible, shall receive temporary disability benefits under this chapter, but any insurer or employer or the special fund for disability benefits providing such benefits shall be subrogated, as hereinafter provided, to the employee's right to benefits under the workmen's compensation law for the period of disability for which he received benefits under this chapter to the extent of the benefits so received.

(4) Indemnity payments for wage loss under any applicable employers' liability law of this State, or of any other state or of the United States. If an employee has received benefits under this chapter for a period of disability for which he is entitled to such indemnity payments, any insurer or employer or the special fund for disability benefits providing such benefits shall be subrogated to the employee's right to such indemnity payments in the amount of the benefits paid under this chapter as hereinafter provided.

**Sec. -28. No assignment of benefits; exemptions from attachment, etc.** No assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this chapter shall be valid; and such rights to benefits shall be exempt from levy, execution, attachment, garnishment, or any other remedy whatsoever provided for the collection of debt. No waiver of any exemption provided for in this section shall be valid.

### **PART III. PROVISION FOR TEMPORARY DISABILITY INSURANCE BENEFITS**

**Sec. -30. Provision for payment of benefits.** (a) An employer or an association of employers shall secure temporary disability benefits to their employees in one or more of the following ways:

(1) By insuring and keeping insured the payment of temporary disability benefits with any stock, mutual, reciprocal or other insurer authorized to trans-

act the business of disability insurance in the State; or

(2) By depositing and maintaining with the state director of finance, securities, or the bond of a surety company authorized to transact business in the State, as are satisfactory to the director securing the payment by the employer of temporary disability benefits according to the terms of this chapter; or

(3) Upon furnishing satisfactory proof to the director of his or its solvency and financial ability to pay the temporary disability benefits herein provided, no insurance or security or surety bond shall be required, and the employer shall make payments directly to his employees, as they may become entitled to receive the same under the terms and conditions of this chapter; or

(4) By a plan, entitling employees to cash benefits or wages during a period of disability, in existence on the effective date of this chapter.

(A) If the employees of an employer or any class or classes of such employees are entitled to receive disability benefits under a plan or agreement which remains in effect on January 1, 1970, the employer, subject to the requirements of this section, shall be relieved of responsibility for making provision for benefit payments required under this chapter until the earliest date, determined by the director for the purposes of this chapter, upon which the employer has the right to discontinue the plan or agreement or to discontinue his contributions toward the cost of the temporary disability benefits. Any such plan or agreement may be extended, with or without modification, by agreement or collective bargaining between an employer or employers or an association of employers and an association of employees, in which event the period for which the employer is relieved of such responsibility shall include the period of extension.

(B) Any other plan or agreement in existence on January 1, 1970 which the employer may, by his sole act, terminate at any time, or with respect to which he is not obligated to continue for any period to make contributions, may be accepted by the director as satisfying the obligation to provide for the payment of benefits under this chapter if the plan or agreement provides benefits at least as favorable as the disability benefits required by this chapter and does not require contributions of any employee or of any class or classes of employees in excess of the amount authorized in section -32, except by agreement and provided the contribution is reasonably related to the value of the benefits as determined by the director. The director may require the employer to enter into an agreement in writing with the director that until the employer shall have filed written notice with the director of his election to terminate such plan or agreement or to discontinue making necessary contributions toward the cost of providing benefits under the plan or agreement, he will continue to provide for the payment of the disability benefits under the plan or agreement. Any plan or agreement referred to in this paragraph may be extended, with or without modification; provided the benefits under the plan or agreement, as extended or modified, are found by the director to be at least as favorable as the disability benefits required by this chapter; or

(5) By a new plan or agreement. On or after January 1, 1970 a new plan or agreement with an insurer may be accepted by the director as satisfying the obligation to provide for the payment of benefits under this chapter if the plan

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or agreement provides benefits at least as favorable as the disability benefits required by this chapter and does not require contributions of any employee or of any class or classes of employees in excess of the amount authorized in section -32, except by agreement and provided the contribution is reasonably related to the value of the benefits as determined by the director. Any such plan or agreement shall continue until written notice is filed with the director of intention to terminate the plan or agreement, and any modification of the plan or agreement shall be subject to the written approval of the director.

(b) During any period in which any plan or agreement or extension or modification thereof authorized under subsection (a)(4) or (5) provides for payments of benefits under this chapter, the responsibility of the employer and the obligations and benefits of the employees shall be as provided in the plan or agreement or its extension or modification rather than as required under this chapter; provided the employer or insurer has agreed in writing with the director to pay the assessments imposed by section -46.

(c) If any plan or agreement authorized under subsection (a)(4) or (5) covers less than all of the employees of a covered employer, the requirements of this chapter shall apply with respect to his remaining employees not covered under the plan or agreement.

(d) As used in subsection (a)(4) or (5), "benefits at least as favorable as the disability benefits required by this chapter" means the temporary disability benefits under any plan or agreement whose component parts (waiting period for illness, waiting period for accident, duration of benefits, and percentage of wage loss replaced) add in total to cash benefits or wages which are determined by the director to be at least as favorable as the disability benefits required by this chapter. The insurance commissioner shall establish a set of tables showing the relative value of different types of cash benefits and wages to assist the director in determining whether the cash benefits and wages under a plan are at least as favorable as the temporary disability benefits required by this chapter.

(e) Any decision of the director rendered pursuant to this section with respect to the amount of security required, refusing to permit security to be given or refusing to accept a plan or agreement as satisfying the obligation to provide for the payment of benefits under this chapter shall be subject to review on appeal in conformity with the provisions of this chapter.

(f) In order to provide the coverage required by this chapter for employers otherwise unable to obtain or provide such coverage, the insurance commissioner may, after consultation with the insurers licensed to transact the business of disability insurance in this State, approve a reasonable plan or plans for the equitable apportionment among such insurers of employer applicants for such insurance who are in good faith entitled to but are unable to procure such insurance through ordinary methods and, when such a plan has been approved, all such insurers shall subscribe thereto and participate therein; provided, however, that the commissioner shall not, for insurance issued or in connection with any such plan or plans, require or allow the use of premium rates which are either inadequate or excessive in relation to the benefits to be provided. Any employer applying for such insurance or any insured under such

plan and any insurer affected may appeal to the commissioner from any ruling or decision of the manager or committee designated to operate such plan. All orders of the commissioner in connection with any such plan shall be subject to judicial review as provided in chapter 91.

**Sec. -31. Notice of insurance.** If payment of disability benefits is provided for in whole or in part by insurance pursuant to section -30, (a)(1), (4), or (5), the employer shall forthwith file with the director in form prescribed by the director a notice of his insurance together with a statement of benefits provided by the policy.

**Sec. -32. Authority to withhold contributions, rate of contribution, maximum weekly wage base.** (a) Subject to the limitation set forth in subsection (b) an employer may deduct and withhold contributions, from each employee of one-half the cost but not more than .5 percent of the weekly wages earned by the employee in employment and the employer shall provide for the balance of the cost of providing temporary disability benefits under this chapter over the amount of contributions of his employees. Unless a different rule is prescribed by regulation of the director, the withholding period shall be equal to the pay period of the respective employee.

(b) Weekly wages for the purposes of this section shall not include remuneration in excess of one fifty-second of the average annual wage in the State as determined for the preceding year pursuant to section 383-61(b) multiplied by the factor 1.21. The director shall cause this amount to be published annually prior to the first day of January following the determination.

(c) The contributions of the employees deducted and withheld from their wages by their employer shall be held in a separate fund or be paid to insurance carriers as premiums, for the purpose of providing benefits required by this chapter.

(d) The director shall have authority to prescribe by regulation the reports and information necessary to determine the cost of providing temporary disability benefits under this chapter, especially in the case of employers or employer associations providing such benefits by means of self-insurance, and to determine the procedures for the determination of such cost.

(e) An employee from whose wages amounts greater than those authorized by this chapter have been withheld by his employer shall be entitled to a refund or credit of the excess as prescribed by regulation of the director.

**Sec. -33. Payment of disability benefits.** Benefits provided under this chapter shall be paid periodically and promptly and, except as to a contested period of disability, without any decision by the director. The first payment of benefits shall be due on the fourteenth day of disability and benefits for that period shall be paid promptly to the employee after the filing of required proof of claim. Thereafter, benefits shall be due and payable every two weeks. The director may determine that benefits may be paid monthly or semi-monthly if wages were so paid, and may authorize deviation from the foregoing requirements to facilitate prompt payment of benefits.

**Sec. -34. Subrogation rights if employee entitled to workmen's com-**

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**pensation benefits or indemnity under employers' liability acts.** (a) If an individual has received temporary disability benefits under this chapter during a period of disability for which benefits for total disability under the Workmen's Compensation Law of this State or of any other state or of the United States are subsequently awarded or accepted in any agreement or compromise, the employer, the association of employers, the insurer, or the special fund for disability benefits, as the case may be, providing such temporary disability benefits shall be subrogated to the individual's right to such benefits in the amount of the benefits paid under this chapter.

To protect its subrogation rights to benefits payable under the Workmen's Compensation Law of this State, the employer, the association of employers, the insurer, or the special fund for disability benefits, providing temporary disability benefits shall file a claim with the division of workmen's compensation in the department and notify the insurer for workmen's compensation or the employer, if self-insured, of its claim and thereupon the employer, the association of employers, the insurer, or the special fund for disability benefits, providing temporary disability benefits shall have a lien against the amounts payable as benefits for disability under the Workmen's Compensation Law in the amount of the benefits paid under this chapter during the period for which benefits for disability under the Workmen's Compensation Law have been accepted or awarded as payable. The agreement or award shall include a provision setting forth the existence and amount of such lien.

(b) If an individual has received benefits under this chapter during a period of disability for which he is entitled to receive indemnity payments for wage loss under any applicable employers' liability law of this State or of any other state or of the United States, the employer, the association of employers, the insurer, or the special fund for disability benefits, providing temporary disability benefits shall be subrogated to the individual's right to such indemnity in the amount of the benefits paid under this chapter and may assert its subrogation rights in any manner appropriate under such acts or any rule of law.

**Sec. -35. Subrogation rights against third parties.** If any individual who has received benefits under this chapter is entitled to recover damages from a third person who is responsible for the sickness or accident causing the disability, the employer, the association of employers, the insurer, or the special fund for disability benefits, providing disability benefits shall be subrogated to, and have a lien upon, the rights of the individual against the third party to the extent that the damages include wage loss during the period of disability for which temporary disability benefits were received in the amount of such benefits.

If the individual commences an action against such third party, the individual shall notify his employer, or the director if the individual is unemployed, of the action and the court in which it is pending. The employer, the association of employers, the insurer, or the special fund for disability benefits, providing disability benefits may join as party plaintiff or claim a lien on the amount of any judgment recovered by the individual in such action to the extent of its subrogation rights. If the individual does not commence the action

within nine months after the commencement of the sickness or the date of the accident causing the disability, the employer, the association of employers, the insurer, or the special fund for disability benefits, providing temporary disability benefits may commence such action, but the individual shall be entitled to join the action and be entitled to any surplus over the amount to which the employers, the association of employers, the insurer, or the special fund for disability benefits is subrogated.

**Sec. -36. Failure to give security for payment of benefits; penalty; injunction.** If an employer fails to comply with section -30 he shall be liable to a penalty of not less than \$25 or of \$1 for each employee for every day during which such failure continues, whichever sum is greater, to be recovered in an action brought by the director and in the name of the State, and the amount so collected shall be paid into the special fund for disability benefits created by section -40. The director may, however, in his discretion, for good cause shown, remit all or any part of the penalty in excess of \$25, provided the employer in default forthwith complies with section -30. With respect to such actions, the attorney general or any county attorney or public prosecutor shall prosecute the same if so requested by the director.

Furthermore, if any employer is in default under section -30, for a period of thirty days, he may be enjoined by the circuit court of the circuit in which his principal place of business is from carrying on his business any place in the State so long as the default continues, such action for injunction to be prosecuted by the attorney general or any county attorney if so requested by the director.

**Sec. -37. The insurance contract.** Every policy of insurance issued by an insurer of an employer pursuant to this chapter which covers the liability of the employer for temporary disability benefits shall cover the entire liability of the employer to his employees covered by the policy or contract, and also shall contain a provision setting forth the right of the employees to enforce in their own names either by filing a separate claim or by making the insurer a party to the original claim, the liability of the insurer in whole or in part for the payment of the disability benefits. Payment in whole or in part of disability benefits by either the employer or the insurer shall, to the extent thereof, be a bar to the recovery against the other of the amount so paid.

All insurance policies shall be approved by the insurance commissioner of the State.

**Sec. -38. Insolvency of employer not to release insurer.** Every policy and contract of insurance issued for the purposes of this chapter shall contain a provision to the effect that the insolvency or bankruptcy of the employer and his discharge therein shall not relieve the insurer from the payment of temporary disability benefits during the life of the policy or contract.

**Sec. -39. Cancellation of insurance contracts.** No policy or contract of insurance issued by a stock company or mutual association against liability arising under this chapter shall be canceled within the time limited in the contract for its expiration until at least ten days after notice of intention to cancel

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such contract, on a date specified in the notice, has been filed with and served on the director of labor and industrial relations and the employer.

### **PART IV. SPECIAL FUND FOR DISABILITY BENEFITS**

#### **Sec. -40. Establishment of special fund for disability benefits.**

There is established in the treasury of the State, separate and apart from all public moneys or funds of the State, a special fund for disability benefits which shall be administered by the director exclusively for the purposes of this chapter. All contributions pursuant to this part shall be paid into the fund and all benefits payable under this part shall be paid from the fund. The fund shall consist of (1) all contributions collected pursuant to this part, together with any interest thereon; (2) all fines and penalties for the fund pursuant to this chapter; (3) all moneys collected by way of subrogation; (4) interest earned on any moneys in the fund; (5) any property or securities acquired through the use of moneys belonging to the fund; (6) all earnings of such property and securities; and (7) all other moneys received for the fund from any source.

**Sec. -41. Management of the fund.** The director of finance shall be the treasurer and custodian of the special fund for disability benefits and shall administer the fund in accordance with the directions of the director of labor and industrial relations. All moneys in the fund shall be held in trust for the purposes of this part only and shall not be expended, released, or appropriated or otherwise disposed of for any other purpose. Moneys in the fund may be deposited in any depositary bank in which general funds of the State may be deposited but such moneys shall not be commingled with other state funds and shall be maintained in separate accounts on the books of the depositary bank. Such moneys shall be secured by the depositary bank to the same extent and in the same manner as required by the general depositary law of the State; and collateral pledged for this purpose shall be kept separate and distinct from any other collateral pledged to secure other funds of the State. The director of finance shall be liable for the performance of his duties under this section as provided in chapter 37.

**Sec. -42. Disbursements from the fund.** Expenditures of moneys in the special fund for disability benefits shall not be subject to any provisions of law requiring specific appropriations or other formal release by state officers of money in their custody. All benefits shall be paid from the fund upon warrants drawn upon the director of finance by the comptroller of the State supported by vouchers approved by the director.

**Sec. -43. Investment of moneys.** With the approval of the department the director of finance may, from time to time, invest such moneys in the special fund for disability benefits as are in excess of the amount deemed necessary for the payment of benefits for a reasonable future period. Such moneys may be invested in bonds of any political or municipal corporation or subdivision of the State, or any of the outstanding bonds of the State, or invested in bonds or interest-bearing notes or obligations of the State (including state director of finance's warrant notes issued pursuant to chapter 40), or of the Uni-

ted States, or those for which the faith and credit of the United States, are pledged for the payment of principal and interest, or in federal land bank bonds or joint stock farm loan bonds. The investments shall at all times be so made that all the assets of the fund shall always be readily convertible into cash when needed for the payment of benefits. The director of finance shall dispose of securities or other properties belonging to the fund only under the direction of the director of labor and industrial relations.

**Sec. -44. Temporary disability benefits to be paid from the special fund for disability benefits.** Temporary disability benefits shall be paid from the special fund for disability benefits to individuals who become disabled when unemployed and who subsequently become ineligible for benefits under chapter 383 or 384. Benefits shall also be paid from this fund to an employee who is entitled to receive temporary disability benefits but cannot receive such benefits because of the bankruptcy of his employer or because his employer is not in compliance with this chapter.

**Sec. -45. Disability while unemployed.** (a) An employee whose employment with a covered employer is terminated and who during a period of unemployment within twenty-six weeks immediately following such termination of employment becomes ineligible for benefits claimed under chapter 383 or 384 solely because of disability commencing on or after January 1, 1970, and who on the day the disability commences is not employed and is not then otherwise eligible for benefits under this chapter, shall be entitled to receive disability benefits as hereinafter provided for each week of such disability for which week he would have received unemployment insurance benefits if he were not so disabled.

(b) The weekly benefits payable to the disabled unemployed shall be the same as the benefits to which the individual would be entitled under chapter 383 or 384 except for his disability; provided that benefits payable under this section shall not be payable for a period longer than the remainder of the period of unemployment for which benefits would have been payable under chapter 383 or 384.

(c) The benefits payable under this section shall be paid by the director out of any assets in the fund created by section -40. The payments shall be made through employment offices, as this term is defined and used in chapter 383. The director may require an employee claiming benefits under this section to file proofs of disability and other proofs reasonably necessary for the director to make a determination of eligibility and benefit rights under this section. The director may establish reasonable procedures for determining pro rata benefits payable with respect to disability periods of less than one week. Any employee claiming benefits under this section whose claim is rejected in whole or in part by the director shall be entitled to request review and shall have all the rights with respect to disputed claims provided in this chapter.

**Sec. -46. Assessments for the special fund for disability benefits.**

(a) Each employer shall, from July 1, 1969, to December 31, 1969, contribute to the establishment of the special fund for disability benefits at the rate of .2 per-

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cent of covered wages as defined in section -32. The employer shall pay such contributions to the director for a given month on or before the thirtieth day of the next succeeding month.

(b) When the balance of the special fund for disability benefits falls below \$500,000.00 as of December 31 of any year after 1969, a levy shall be assessed and collected in the next calendar year from insurers of employers insured under section -30 and from all other employers not insured under section -30.

Each year the director shall determine the amount of the levy to be paid by each insurer or employer and shall give notice of the levy to each such insurer or employer on or before May 1 of the year in which the levy is assessed. The amount of the levy shall be paid on or before June 30 following notification.

The amount of the levy against each insurer or employer shall be determined as the product of the wages paid by the employer multiplied by a factor which is the ratio of the amount by which the balance in the special disability benefits fund was less than \$500,000 on the preceding December 31 to total covered wages paid by all employers. For the purposes of this paragraph, "covered wages" means wages paid by employers during the preceding calendar year but not including wages paid to any employee in excess of the limit contained in section -32(b).

## **PART V. DETERMINATIONS**

### **A. APPEAL PROCEDURE**

**Sec. -50. Appeal tribunal.** Appeals shall be heard by an impartial referee for temporary disability benefits appeals who shall be appointed by the director and who shall serve as the appeal tribunal.

**Sec. -51. Appeals, filing and hearing.** (a) If a person disputes the amount of benefits, paid under part III or part IV, or the denial of benefits, the claimant may file an appeal, in the form and manner prescribed by regulation of the director, at the office of the department in the county in which the claimant resides or in the county in which the claimant was employed prior to his disability, within ten days after the date of payment of such disputed benefits or the denial thereof. Notice of the appeal shall be served upon the employer or insurer or the special fund for disability benefits in the form and manner prescribed by regulation of the director.

(b) The appeal shall be heard in the county in which the appeal is filed; provided that the director may by regulation provide for good cause for the holding of a hearing in another county and may provide for the taking of depositions. Unless the appeal is withdrawn with the permission of the referee, the referee after affording the parties reasonable opportunity for a fair hearing shall make findings and conclusions and on the basis thereof affirm, modify, or deny the disputed benefits. All parties shall be promptly notified of the decision of the referee and shall be furnished with a copy of the decision and the findings and conclusions in support thereof and the decision shall be final and shall be binding unless a proceeding for judicial review is initiated pursuant to

section -54; provided that, within the time provided for taking an appeal and prior to the filing of a notice of appeal, the referee may reopen the matter, upon application of the director or any party, or upon his own motion, and thereupon may take further evidence or may modify his decision, findings, or conclusions. In the event the matter is reopened, the referee shall render a further decision in the matter, either reaffirming or modifying his original decision, and notice shall be given thereof in the manner hereinbefore provided. The time to initiate judicial review shall run from the notice of such further decision if the matter has been reopened.

**Sec. -52. Procedure.** The referee shall not be bound by common law or statutory rules of evidence or by technical rules of procedure, but any hearing or appeal before the same shall be conducted in such manner as to ascertain the substantial rights of the parties. No person shall participate on behalf of the director in any case in which that person has a direct or indirect interest. A record shall be kept of all testimony and proceedings in connection with an appeal, but the testimony need not be transcribed unless further review is initiated. Witnesses subpoenaed pursuant to this section shall be allowed fees at a rate fixed by the department and such fees shall be deemed part of the expenses of administering this chapter.

**Sec. -53. Conclusiveness of determinations and decisions.** Except insofar as reconsideration is had under section -58, any right, fact, or matter in issue, directly passed upon or necessarily involved in an appeal which has become final, shall be conclusive for all the purposes of this chapter.

**Sec. -54. Judicial review.** Any party or the director may obtain judicial review of the decision of the referee in the manner provided in chapter 91, by instituting proceedings in the circuit court of the circuit in which the claimant resides or in which the claimant was last employed. The proceedings shall be heard in a summary manner and shall be given precedence over all other civil cases except proceedings arising under the Employment Security Law and the Workmen's Compensation Law of the State. Proceedings for review by the supreme court may be taken and had in the same manner as is provided for a review of a judgment of a circuit court. No bond shall be required as a condition of initiating a proceeding for judicial review or initiating proceedings for review by the supreme court. Upon the final termination of any judicial proceeding, the referee shall enter an order in accordance with the mandate of the court.

**Sec. -55. Representation.** In any proceeding for judicial review pursuant to section -54, the director may be represented by the attorney general or by any qualified attorney who is employed by the department for such purpose in conformity with section 103-3.

**Sec. -56. Payment of benefits.** Benefits shall be paid promptly in accordance with the decision. If an application for reconsideration is duly made or if judicial review is duly filed, benefits with respect to weeks of disability not in dispute and benefits payable in any amount not in dispute shall be paid promptly regardless of any reconsideration or appeal.

**Sec. -57. Recovery of benefits paid.** (a) Any person who has received any amount as benefits under this chapter to which he was not entitled shall be liable for such amount unless the overpayment was received without fault on the part of the recipient and its recovery would be against equity and good conscience. Notice of a reconsideration under section -58 in such cases shall specify that the person is liable to repay the amount of overpaid benefits, the basis of the overpayment, and the week or weeks for which such benefits were paid.

(b) The person liable shall, in the discretion of the referee, either repay such amount or have the amount deducted from any future benefits payable under this chapter within two years after the date of mailing of the notice of reconsideration or the final decision on an appeal from such reconsideration.

(c) In any case in which under this section an individual is liable to repay any amount, the amount shall be payable without interest.

**Sec. -58. Reconsideration.** (a) At any time within one year from the date of a final decision with respect to wages upon which benefits are computed, the director on his own motion may reopen the decision if he finds that wages of the claimant pertinent to the decision but not considered in connection therewith have been newly discovered or that benefits have been allowed or denied or the amount of benefits have been fixed on the basis of a nondisclosure or misrepresentation of a material fact.

(b) At any time within two years from the end of any week with respect to which a final decision allowing or denying benefits has been made, the director on his own motion may reopen the decision if he finds that the benefits were allowed or denied as a result of nondisclosure or misrepresentation of a material fact.

(c) At any time within one year from the end of any week with respect to which a final decision allowing or denying benefits has been made, the director on his own motion may reopen the decision if he finds that an overpayment, due to reasons other than fraud, has occurred.

(d) In any case in which the director is authorized by this section to reopen any final decision rendered by a referee or court, the director may petition the referee or court to issue a revised decision.

**Sec. -59. Appeal pending when reconsideration issued.** In the event that an appeal is pending as of the date a reconsideration thereof is issued, the appeal, unless withdrawn, shall be treated as an appeal from the reconsideration.

**Sec. -60. Notice of reconsideration.** Notice of a reconsideration upon a claim shall be promptly given to the parties by delivery thereof or by mailing the notice to the last known address of each party.

## B. DETERMINATIONS RELATING TO WAGE WITHHOLDING

**Sec. -61. Disputes between employers and employees relating to withholding of wages.** In the case that there is a dispute between the em-

ployee and the employer relating to the withholding of wages as contributions for temporary disability benefits, either party may file with the director a petition for determination of the amount to be withheld.

The matter shall be determined by an officer of the department. If either party is dissatisfied with the determination, he may petition for redetermination and thereupon the petition shall be transferred to the referee.

## PART VI. ENFORCEMENT

**Sec. -70. Enforcement by the director.** The director shall enforce the provisions of this chapter. The director may appoint such assistants and such clerical, stenographic and other help as may be necessary for the proper enforcement of this chapter subject to any civil service act relating to state employees. The salaries of all the foregoing appointees and employees shall be as fixed by law.

The director may adopt, amend, or repeal such rules and regulations as he deems necessary or suitable for the proper enforcement of this chapter."

**SECTION 2.** This Act shall take effect upon its approval, except that contributions shall be collected starting on January 1, 1970 and that benefits shall become payable for periods of disability commencing on January 1, 1970.

(Approved June 30, 1969.)

ACT 149

H. B. NO. 60

A Bill for an Act Relating to the Establishment of a Venereal Disease Prevention Program.

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

**SECTION 1.** Chapter 46, Revised Laws of Hawaii 1955, is amended by adding a new section to be appropriately designated and to read as follows:

**"Sec. 46- . Venereal disease prevention program.** (a) The departments of health and education shall cooperate with each other and other public and private authorities as they may deem advisable for the education of minors and members of the general public on venereal disease and the prevention of venereal disease. For the purpose of this section, "minor" means any person fourteen years of age or older and under the age of majority.

(b) The department of health shall formulate, supervise, and coordinate throughout the State an educational program for the purposes of preventing venereal disease, instructing the general public in detecting the diseases, and encouraging early treatment.

(c) The information shall be made available upon request to all minors and members of the general public without parental consent and the information shall be distributed to all public school counselors requesting educational materials concerning venereal disease prevention, detection, and treatment."

**SECTION 2.** There is appropriated out of the general revenues of the

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State of Hawaii the sum of \$10,000, or so much thereof as may be necessary, for the purpose of this Act to be expended by the director of health.

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 30, 1969.)

ACT 150

H. B. NO. 887

A Bill for an Act Relating to the Real Property Tax Assessment of Golf Courses.

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

SECTION 1. Chapter 246, Hawaii Revised Statutes, is hereby amended by adding thereto new sections to be appropriately designated and to read as follows:

**“Section 246— . Golf Course Assessment.** Property operated and used as a golf course shall be assessed for property tax purposes on the following basis:

“The value to be assessed by the tax assessor shall be on the basis of its actual use as a golf course rather than on the valuation based on the highest and best use of the land.”

In determining the value of actual use, the factors to be considered shall include, among others, rental income, cost of development, sales price and the effect of the value of the golf course on the value of the surrounding lands.

**Section 246— . Conditions Precedent to special assessment of land as golf course.** In order to qualify in having land assessed in valuation as a golf course the owner of any parcel of land desiring or presently using his land for a golf course shall as a condition precedent qualify as follows:

a) Dedication of land.

(1) The owner of any parcel of land for a golf course shall petition the director of taxation and declare in his petition that he will dedicate his parcel of land for a golf course.

(2) The approval by the director of taxation of the petition to dedicate the said land shall constitute a forfeiture on the part of the owner of any right to change the use of the land for a minimum period of ten years, automatically renewable indefinitely, subject to cancellation by either the owner or the direc-

tor of taxation upon five years' notice at any time.

(3) The failure of the owner to observe the restrictions on the use of his land to that of a golf course shall cancel the special tax assessment privilege retroactive to the date of the petition but not more than ten years prior to the tax year in which the exemption is disallowed; and all differences in the amount of taxes that were paid and those that would have been due from assessment in the higher use shall be payable with a six per cent a year penalty from the respective dates that these payments would have been due. Failure to observe the restrictions on the use means failure for a period of over one calendar year to use the land in that manner requested in the petition as a golf course by the overt act of changing the use for any period. Nothing in this paragraph shall preclude the State from pursuing any other remedy to enforce the covenant on the use of the land as a golf course.

(4) The director of taxation shall prescribe the form of the petition. The petition shall be filed by September 1 of any calendar year and shall be approved or disapproved by December 15 of such year. If approved, the assessment based upon the use requested in the dedication shall be effective on January 1 of the succeeding year.

(5) The owner may appeal any disapproved petition as in the case of an appeal from an assessment.

(6) The term "owner" as used in this section includes lessees of real property whose lease term extends at least ten years effective from the date of the petition.

(7) The amount of additional taxes due and owing where the owner has failed to observe the restriction on the use shall attach to the property as a paramount lien in favor of the State of Hawaii, as provided in Section 246-55, Hawaii Revised Statutes.

b) Covenant not to engage in discrimination. The owner shall covenant in his petition with the director of taxation that he will not discriminate against any individual in the use of the golf course facilities because of the individual's race, sex, religion, color or ancestry.

SECTION 2. This Act, upon its approval, shall take effect on July 1, 1969.

(Approved June 30, 1969.)

ACT 151

H. B. NO. 933

A Bill for an Act Relating to the Use of Revenues Derived from the Public Housing Project Constructed Pursuant to Act 7, Special Session Laws of Hawaii, 1960.

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

SECTION 1. The proviso provided in section 4, Act 7, special session laws of Hawaii, 1960, is amended to read as follows:

" ; provided that, all revenues derived from this project, except for reasonable administrative and operating expenses, shall be credited to the Hawaii

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housing authority and shall be expended by the authority for any lawful purpose within its jurisdiction.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 30, 1969.)

ACT 152

H. B. NO. 1003

### A Bill for an Act Relating to Leprosy.

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

SECTION 1. The Hawaii Revised Statutes is amended by deleting the terms “Hansen’s disease”, “Hansen’s disease sufferer”, or “suffering from Hansen’s disease” wherever they appear in the Hawaii Revised Statutes and by substituting in lieu thereof the terms “leprosy”, “person affected with leprosy”, or “having leprosy”, whichever is appropriate.

SECTION 2. The first sentence of section 326-1 of the Hawaii Revised Statutes is amended to read as follows:

“The department of health, subject to the approval of the governor, shall establish hospitals, settlements, and places as it deems necessary for the care and treatment of persons affected with leprosy.”

SECTION 3. Section 326-6 of the Hawaii Revised Statutes is amended to read as follows:

“Any woman patient at any place maintained for the treatment or care of persons affected with leprosy who becomes pregnant shall be immediately subjected to necessary examination and care as the department of health may prescribe, and within a reasonable time of the possible delivery of child, the mother shall be placed under hospital care and attention as may be necessary to assure a healthy birth. Any child so born shall be immediately cared for as will reduce the possibility of contracting leprosy.”

SECTION 4. Section 326-11 of the Hawaii Revised Statutes is amended to read as follows:

**“Voluntary transfer to and from Kalaupapa.** Any person undergoing treatment and receiving care for leprosy at Hale Mohalu on the effective date of this Act may be transferred to Kalaupapa Settlement for care and treatment if he desires. Any person who may undergo treatment and receive care for leprosy at Hale Mohalu after the effective date of this Act may apply to the director of health for transfer to Kalaupapa Settlement.

Any person undergoing treatment and receiving care for leprosy at Kalaupapa Settlement may be transferred to Hale Mohalu for care and treatment if he desires. A person transferred may be retransferred to Kalaupapa Settlement if he desires.”

SECTION 5. Section 326-16 of the Hawaii Revised Statutes is amended to read as follows:

"All patients on temporary release who can be rehabilitated shall be given the opportunity at the hospital or settlement where they are receiving medical care. Following satisfactory rehabilitation and training, every effort shall be made to assist the patients in securing gainful employment to become readjusted to a normal life in society."

**SECTION 6.** Section 326-24 of the Hawaii Revised Statutes is amended to read as follows:

"The director of health may adopt rules and regulations pursuant to chapter 91 as he may consider necessary for the conduct of all matters pertaining to leprosy, the treatment thereof, the care, custody, and control of all persons affected with leprosy, and the full and complete governance of the county of Kalawao, except as limited by this chapter."

**SECTION 7.** Section 326-30 of the Hawaii Revised Statutes is amended to read as follows:

"Except for professional purposes, no person, other than members of the staff, shall take photographs of any patient confined at any hospital, settlement, or place for the care and treatment of persons affected with leprosy, without the written permission of the patient."

**SECTION 8.** Section 326-34 of the Hawaii Revised Statutes is amended to read as follows:

"The county of Kalawao shall be under the jurisdiction and control of the department of health and be governed by the laws, rules, and regulations relating to the department and the care and treatment of persons affected with leprosy, except as otherwise provided by law."

**SECTION 9.** Section 326-36 of the Hawaii Revised Statutes is amended to read as follows:

"The salary of the sheriff shall be fixed and paid by the department of health out of the appropriation allowed by the legislature for the care and treatment of persons affected with leprosy."

**SECTION 10.** Section 326-38 of the Hawaii Revised Statutes is amended to read as follows:

"The sheriff may appoint and dismiss and reappoint as many policemen as may be authorized by the department of health for the county who, for the services rendered as policemen, shall receive pay as the department determines and which pay shall be taken out of and from the appropriation made by the legislature for the care and treatment of persons affected with leprosy. The sheriff shall have other powers and duties within the county of Kalawao and appropriate thereto as are prescribed by law for the chiefs of police or police officers of the several counties respectively."

**SECTION 11.** Sections 326-7, 326-8, 326-9, 326-10, 326-12, 326-14, 326-15, 326-17, 326-18, 326-19, 326-31, and 326-32 of the Hawaii Revised Statutes are hereby repealed.

**SECTION 12.** This Act shall take effect upon its approval.

(Approved June 30, 1969.)

## **ACT 153**

### **ACT 153**

H. B. NO. 1092

A Bill for an Act Relating to Mental Health, Mental Illness, Drug Addiction and Alcoholism and Amending Act 6, Session Laws of 1968.

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

SECTION 1. Section 2 of Act 6, Session Laws of Hawaii, 1968, is hereby amended by amending the last sentence thereof to read as follows:

“Intoxicated person” means a person who is deprived of reasonable self-control because of intake of alcohol or because of any substance which includes in its composition volatile organic solvents.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 30, 1969.)

### **ACT 154**

H. B. NO. 1

A Bill for an Act Making Appropriations Out of the General Revenues and Approving Expenditures from Other Sources for the Fiscal Period Ending June 30, 1970.

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

SECTION 1. The following sums, or so much thereof as shall be sufficient to accomplish the purposes or programs of the agencies designated herein, are hereby appropriated out of moneys in the treasury from general revenues and the expenditures from other sources of revenues designated herein are hereby approved for the fiscal period beginning July 1, 1969 and ending June 30, 1970:

#### **EDUCATION**

<b>EDUCATION, DEPARTMENT OF</b>		
Total Requirements		95,203,050(10,887.32)
Less Estimated		118,016,480(11,565.82)
Federal Funds:		
Public Law 90-222, New Careers		43,661
Public Law 864, NDEA, Title III		222,334
Public Law 864, NDEA, Title V		85,880
Public Law 874, Defense Area		8,000,000
Public Law 88-210, Vocational Education		370,173
Public Law 88-452, Neighborhood Youth Corps		515,677
Public Law 88-452, Community Action Program		613,960
Public Law 90-35, Teacher Corps		133,714
Vocational Education (Smith-Hughes George Barden)		102,367(11)
Veterans Program — Adult Education		13,317(1)
Public Law 85-606, Civil Defense		38,473(2)
Public Law 89-750, Adult Basic Education		251,540
Public Law 89-313, Handicapped Children		138,672
Public Law 89-564, Highway Safety Act		25,000
Public Law 89-511, Library		267,558
Public Law 89-10, ESEA, Title I		2,236,040

Public Law 89-10, ESEA, Title II	308,974
Public Law 89-10, ESEA, Title III	833,748
Public Law 89-10, ESEA, Title V, Section 203	281,000
Public Law 89-10, ESEA, Title VI, Handicapped Children	100,000
Public Law 89-750, Children in Institutions for Neglected and Delinquent Children	15,848
Public Law 90-302, School Lunch	12,000
Federal Non-Food Assistance	4,482
Public Law 85-926, Training of Teachers for Handicapped Children	52,644
School Lunch and Milk Subsidy	1,115,400
Special School Lunch Revenues	6,842,484(663.5)
Lahaina Farm Sales	30,000
Driver Education, Student Fees	47,000
Adult Education	111,484(1)
<b>Net Appropriation</b>	<b>95,203,050(10,887.32)</b>

Provided, that the department may recruit for and make commitments to fill new certificated instructional positions for the fiscal year 1970-1971.

Provided, further, that the superintendent of education is authorized to create with the approval of the Governor, not more than 327 permanent or temporary positions to meet unanticipated workload increases or any other need that may arise.

Provided, further, that if a sum less than \$8,000,000 is provided by Congress under the provisions of Public Law 874, or any other public law which amends or supersedes Public Law 874, then the difference between \$8,000,000 and the sum so provided is hereby appropriated; and provided, further, that if a sum greater than \$8,000,000 is provided, then this appropriation shall be reduced to the extent the estimated sum of \$8,000,000 is exceeded for the fiscal year 1969-1970.

Provided, further, that if a sum less than \$308,214 is provided by Congress under provisions of Public Law 864 or any other public law which amends or supersedes Public Law 864, then the difference between \$308,214 and the sum so provided is hereby appropriated; and provided, further, that if a sum greater than \$308,214 is provided then this appropriation shall be reduced to the extent the estimated sum of \$308,214 is exceeded for the fiscal year 1969-1970.

Provided, further, that anything in the bill and the law, including Section 37-41, Hawaii Revised Statutes, to the contrary notwithstanding, funds authorized by this act for the Department of Education which are unencumbered and unexpended on June 30, 1970, shall not lapse.

Provided, further, that general fund appropriations be expended to the extent necessary to defray any and all costs of operating public school cafeterias in excess of the moneys received from the sale of meals at their present prices, the sale of services, the federal government and from any other source.

<b>UNIVERSITY OF HAWAII</b>	<b>43,799,452(3,804.36)</b>
Manoa Campus	20,212,125(1,478.22)
Research	7,372,480(534.80)
Extension and Public Service	4,370,557(242.23)
Community Colleges	6,721,117(463.00)
Hilo Campus	962,458(69.30)
Institutional Support	14,674,039(872.12)
Leahi Hospital	3,084,575(386.25)
<b>Total Requirements</b>	<b>57,397,351(4,045.92)</b>
Less Estimated Federal Funds:	
Morrill Act Income	224,000
Morrill — Nelson Bankhead Jones	215,000
National Defense Education Act (Language and Area Center)	60,000(8.00)
National Defense Education Act (Title IV)	140,000
Higher Education Act of 1965 (Title II)	50,000(3.00)

## ACT 154

Higher Education Act of 1965 (Title IV)	450,000
Military Commutation	11,700
Smith-Hughes-George Barden	63,736
Public Law 864, NDEA, Title VIII	69,044
Public Law 415, Manpower Development and Training Act	591,369
Public Law 88-210, Vocational Education Act of 1963	350,310
Hatch Act	343,482(34.42)
Indirect Cost Reimbursement	1,200,000(19.00)
Regional Research Fund	106,621
McIntire-Stennis Forestry Act	24,864
Basic Research Fund	5,000
Water Resources Research Act	100,000
Smith-Lever Act	376,201(42.14)
Agricultural Marketing Act	18,000
Civil Defense	58,986(5.00)
Higher Education Act of 1965 Title I	108,718(1.00)
Head Start (OEO)	37,704(2.00)
Less Estimated Special Funds:	
College of General Studies	963,094(21.00)
Summer Session	1,424,000(9.00)
Small Business Management	41,850
Advanced Management Program	133,667(1.00)
Intramural and Inter-Collegiate Athletics	288,757(6.00)
Transportation Service	(7.00)
Student Housing	761,147(34.00)
Food Services	121,052
Parking Operations	405,765(3.00)
Bookstore	2,480,000(39.00)
Faculty Housing	98,184(1.00)
Community Colleges (Shops and School Lunch)	70,000
Theatre Group	42,855
University of Hawaii Special Activities	150,000
Hospital Receipts	1,648,810
Less Estimated Trust Funds:	
Kellogg Commonwealth Funds	230,000
Ford Foundation	88,333(4.00)
Economic Education	43,650(2.00)
Net Appropriation	43,799,452(3,804.36)

Provided, that the University of Hawaii may recruit for and make commitments to fill new board of regents instructional positions for the fiscal year 1970-1971; provided, further, that appointments made under this authorization shall not become effective prior to July 1, 1970.

Provided, further, that the amount of the appropriation necessary to obtain allotments of grants made by the United States Government for agricultural extension service and agricultural experiment station operations shall be payable to the University of Hawaii, *in toto*, by single warrant, or by several warrants, representing periodic allotments but only if this is a necessary condition for receiving such federal allotments. Such disbursements of funds used to obtain the federal allotments may be regularly audited by the federal auditor and shall be subject to the same limitations as the character of expenditures of the federal funds which they offset.

Provided, further, that the University may contract for instruction personnel from July 1, 1969 to June 30, 1970 where such personnel will experience hardship in relocating to Hawaii.

Provided, further, that if federal funds in the amounts designated under the Morrill-Nelson Bankhead-Jones Act, Hatch Act, and Smith-Lever Act, are not received, then the difference between the amounts designated and the amount received is hereby appropriated.

Provided, further, that the Legislative Reference Bureau may hire persons on contract, without regard to Chapters 76 and 77, Hawaii Revised Statutes, to provide aid in the typing and other preparation of reports, bills and resolutions during the fiscal year.

Provided, further, that the appropriation for Leahi Hospital is a supplement to the estimated receipts for the operation and maintenance of the hospital for fiscal year 1969-1970; provided, further, that the appropriation for Leahi Hospital is intended for an average daily inpatient population of 316.

Provided, further, that the president of the university is authorized to create, with the approval of the Governor, not more than 114 permanent or temporary positions to meet unanticipated workload increases or any other needs that may arise.

Provided, further, that sufficient funds shall be made available from the community college system's appropriation to establish a pre-apprenticeship program for carpenters at the Honolulu Community College.

Provided, further, that in the intramural and intercollegiate athletics program, the University of Hawaii shall not convert special fund positions to general fund positions.

Provided, further, that anything in the bill and the law, including Section 37-41, Hawaii Revised Statutes, to the contrary notwithstanding, funds authorized by this act for the University of Hawaii which are unencumbered and unexpended on June 30, 1970, shall not lapse.

## DEVELOPMENT AND NATURAL RESOURCES

AGRICULTURE, DEPARTMENT OF	2,874,155(213)
General Administration	
Net Appropriation	225,244(21)
Marketing and Consumer Services	
Administration	45,428(5)
Commodities	353,602(26.5)
Crop and Livestock Reporting	97,102(9)
Market News Service	40,400(4)
Weights and Measures	178,471(14)
Total Requirements	715,003(58.5)
Less Estimated:	
Federal Funds	27,000
Coffee Inspection Fees	4,500
Net Appropriation	683,503(58.5)
Animal Industry	
Administration	49,826(5)
Livestock Disease Control	179,549(9.5)
Veterinary Laboratory	102,037(9)
Inspection and Quarantine	423,413(25)
Meat Inspection	241,582(21.5)
Meat Grading	21,000
Total Requirements	1,017,407(70)
Less Estimated Trust Funds	14,000
Net Appropriation	1,003,407(70)
Plant Industry	
Administration	44,679(5)
Plant Quarantine Inspection	297,744(31.75)
Entomology	178,712(16)
Weed, Seed, and Herbicide	115,491(4.75)
Total requirements	636,626(57.5)
Less Estimated Federal Funds	6,000
Net Appropriation	630,626(57.5)
Milk Control	
Net Appropriation	81,375(6)
Farm Loan	
Administration	108,960(7)
Farm Loan	1,321,000
Total Requirements	1,429,960
Less Estimated:	
Farm Loan Reserve Fund	108,960
Farm Loan Revolving Fund	1,071,000(7)
Net Appropriation	250,000

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Provided, that in the commodities program, the sum of \$9,000 provided for Kona coffee inspection shall be contingent on industry meeting not less than one-half of the total inspectional cost through the assessment of appropriate coffee inspection fees.

### LAND AND NATURAL RESOURCES, DEPARTMENT OF 3,837,094(349.5)

Departmental Administration	
Net Appropriation	298,779(26)
Conveyances	
Net Appropriation	350,440(42)
Fish and Game	
Administration	45,373(5)
Enforcement	253,457(26)
Fisheries, Research and Management	233,607(15)
Wildlife Research and Management	244,897(21)
Total Requirements	777,334(67)
Less Estimated:	
Special Funds	84,600
Federal Funds	262,100(2)
Net Appropriation	430,634(65)
Forestry	
Administration	88,563(8)
Forest Management	856,429(71)
Research	102,882(2)
Total Requirements	1,047,874(81)
Less Estimated Federal Funds	87,076(1)
Net Appropriation	960,798(80)
Land Management	
Land Management	292,201(31.5)
Hawaii Soil and Water Conservation	4,800
Net Appropriation	297,001(31.5)
State Parks	
Net Appropriation	719,978(88)
Water and Land Development	
Administration	
Net Appropriation	66,033(6)
Water Resources Survey	
Total Requirements	821,670(5)
Less Estimated:	
Federal Funds:	
Hydrography	207,000
Water Resources Planning	100,000
Special Fund — Hydrography	12,900
Net Appropriation	501,770(5)
Flood Control	
Total Requirements	89,968(3)
Less Estimated Federal Funds	10,000
Net Appropriation	79,968(3)
Project Development	
Net Appropriation	40,348(3)
Supplementation to Irrigation Revolving Fund:	
Waianalo Irrigation System	94,832(9)
Waimea Irrigation System	44,513(3)
Molokai Irrigation System	38,794(3)
Total Requirements	178,139(15)
Less Estimated Special Funds	86,794(15)
Net Appropriation	91,345(—)

Provided, that the sum of \$100,000 in general fund appropriation authorized for the continuation of the water resources planning program shall be allotted only to the extent federal matching funds are made available for this purpose.

Provided, further, that the appropriation supplementing the irrigation system revolving fund shall be reduced to the extent the actual receipts from the Waimea and Waianalo Irrigation Systems shall exceed the estimated sum of \$48,000 for the fiscal year 1969-1970.

Provided, further, that the \$30,686 appropriated to the division of state parks shall be used for the joint archaeological investigation of the Lopakahi Coastal and Upland Village, Island of Hawaii.

Provided, further, that in the state parks program an employee having been hired prior to December 31, 1968 in a project funded position and having worked continuously since that date except for approved leaves of absences, either with or without pay, effective July 1, 1969 shall have his exempt or limited term appointment converted to permanent civil service status without examination; provided, further, that he shall be accorded all the rights, benefits and privileges attributable thereto, retroactive to the date of his original exempt or limited term appointment.

## **PLANNING AND ECONOMIC DEVELOPMENT,**

### **DEPARTMENT OF**

Planning and Economic Development Services	3,269,731(75)
Net Appropriation	837,865(59)
Commission on Manpower and Full Employment	
Net Appropriation	55,260(4)
Foreign Trade and Pacific Affairs	
Total Requirements	153,016(8)
Less Estimated Foreign Trade	
Zone Revenues	89,908
Net Appropriation	63,108(8)
Hawaii Capital Loan	
Total Requirements	335,000
Less Estimated Revolving Fund	85,000
Net Appropriation	250,000
Hawaii International Services Agency	
Net Appropriation	82,456
Hawaii Technical Services	
Total Requirements	134,978
Less Estimated:	
Federal Funds	51,600
Private Contributions	22,400
Net Appropriation	60,978
Industry and Product Promotion	
Net Appropriation	130,854
Land Use Commission	
Net Appropriation	63,106(4)
Small Business Extension Service	
Net Appropriation	23,568
Tourism Advisory Committee	
Net Appropriation	2,000
Tourism Promotion	
Net Appropriation	1,550,536
Tourist Industry Study and Plan	
Net Appropriation	100,000
Statehood Celebration — Tenth Anniversary	
Net Appropriation	50,000

Provided, that in the tourism promotion program, the department may contract for tourist promotion; and provided, further, that the department shall not engage in tourism promotion other than by contract or contracts.

Provided, further, that the \$20,000 for the expansion of the papaya promotion shall be contingent on the papaya industry meeting not less than one-half of the cost.

Provided, further, that a sum of \$60,000 is included in the tourism promotion program for the establishment of a Far Eastern Office (Tokyo); and provided, further, that the appropriation herein authorized for the tourism promotional program together with other resources available to the Hawaii Visitors Bureau may be allocated for a ten percent increase in compensation for all H.V.B. personnel.

## **TRANSPORTATION, DEPARTMENT OF**

351,164(18.25)

General Administration	
Total Requirements	935,781(57)

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Less Estimated Special Funds:	
Airports	231,157
Harbors	154,104
Highways	429,606
Construction	76,570
Federal Funds	44,344
Net Appropriation	_____
Airports	
Administration	8,221,254(117.25)
Operations and Maintenance	3,035,204(249.5)
Total Requirements	11,256,458
Less Estimated Special Funds:	
Airports	11,145,696(366.75)
Harbors	110,762
Net Appropriation	_____
Harbors	
Administration	3,578,894(32.5)
Operations and Maintenance	2,605,115(163)
Honolulu Fireboat Operation	303,298
Small Boat Harbors	351,164(18.25)
Total Requirements	6,838,471(213.75)
Less Estimated Special Funds:	
Harbors	6,487,307(195.5)
Net Appropriation	351,164(18.25)
Highways	
Administration	6,121,596(35)
Operations and Maintenance	5,419,503(336)
Total Requirements	11,541,099(371)
Less Estimated Special Funds:	
Highways	11,541,099(371)
Net Appropriation	_____

Provided, that in contracting for the services of the several counties to maintain State highways, the department shall not transfer State employees or equipment to the counties. All State employees and equipment heretofore transferred to the counties under contractual agreements made pursuant to Act 163, Session Laws of Hawaii 1967, shall be transferred back to the State effective not later than January 1, 1970. Such transfers shall be effected in accordance with the terms and conditions provided in the contractual agreements governing the return of employees and equipment to the State.

## HEALTH, PROTECTIVE AND SOCIAL SERVICES

DEFENSE, DEPARTMENT OF	1,115,881(130)
Departmental Administration	
Total Requirements	548,962(67)
Less Estimated Appropriated Receipts	21,100
Net Appropriation	527,862(67)
Hawaii Army National Guard	
Total Requirements	384,520(43)
Less Estimated Appropriated Receipts	30,000
Net Appropriation	354,520(43)
Hawaii Air National Guard	
Total Requirements	126,782(7)
Less Estimated Appropriated Receipts	46,400
Net Appropriation	80,382(7)
Civil Defense	
Total Requirements	275,139(13)
Less Estimated Appropriated Receipts	122,022
Net Appropriation	153,117(13)
Provided, that if the Hawaii Army National Guard and the Hawaii Air National Guard shall be called or ordered into the service of the United States, the foregoing appropriations or any part thereof remaining unexpended shall be available to the Hawaii State Guard. If only a part of the Hawaii Army National Guard or the Hawaii Air National Guard should be called or ordered into the service of the	

United States, the adjutant general with the approval of the director of finance shall allocate the foregoing appropriation or any part thereof remaining unexpended between the Hawaii State Guard and the Hawaii National Guard.

<b>HEALTH, DEPARTMENT OF</b>	<b>16,388,101(1,703.9)</b>
General Administration	
Departmental Administration	438,395(40)
County-State Hospital Administration	60,115(5)
Comprehensive Health Planning	116,861(2)
Health Education	127,718(11)
Research, Planning and Statistics	303,786(36.5)
Total Requirements	1,046,875(94.5)
Less Estimated Appropriated Receipts	167,520(10.5)
Net Appropriation	879,355(84)
District Health Offices	
Total Requirements	374,939(47)
Less Estimated Appropriated Receipts	21,597(3)
Net Appropriation	353,342(44)
Children's Health Services	
Administration	99,984(8)
Crippled Children	863,628(38.5)
Maternal and Child Health	266,104(15)
Children and Youth	767,716(36)
Maternity and Infant Care	571,383(31.5)
School Health Services	24,513(2)
Services for Children of Guam, American Samoa and Trust Territories	35,000(1)
Mental Retardation Special Project	156,495(13)
Total Requirements	2,784,823(145)
Less Estimated Appropriated Receipts	1,557,572(111.5)
Net Appropriation	1,227,251(33.5)
Communicable Disease	
Administration	183,950(15.5)
Epidemiology	164,854(6)
Tuberculosis Control	389,336(37.5)
Hansen's Disease:	
Hale Mohalu Hospital	578,967(48)
Kalaupapa Settlement	1,023,071(63)
Total Requirements	2,340,178(170)
Less Estimated Appropriated Receipts	1,248,721(5)
Special Fund	90,000
Net Appropriation	1,001,457(165)
Dental Health	
Total Requirements	405,894(52.2)
Less Estimated Appropriated Receipts	13,029(1.2)
Net Appropriation	392,865(51)
Environmental Health	
Administration	31,062(2)
Food and Drug	94,572(9)
Air Sanitation	71,257(7)
Occupational and Radiological Health	70,335(6)
Sanitation	521,250(55)
Sanitary Engineering	161,764(13)
Mosquito Control	365,956(35)
Rodent Control	339,832(49)
Total Requirements	1,656,028(176)
Less Estimated Appropriated Receipts	86,431(9)
Special Funds	17,146(1)
Net Appropriation	1,552,451(166)
Medical Health Services	
Administration	29,659(2)
Chronic Disease	82,316(6)
Hospital, Medical Facilities and Medicare	174,625(16)

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Laboratory Services	349,845(35)
Injury Control	68,271(5)
Nutrition	61,394(6)
Public Health Nursing	1,115,604(116)
Emergency Health Mobilization Branch	33,512(2)
Total Requirements	1,915,226(188)
Less Estimated Appropriated Receipts	436,773(42)
Net Appropriation	1,478,453(146)
Mental Health	
Administration	63,476(5)
Preventive and Clinical Services	1,715,412(118.5)
Hawaii State Hospital	
Administration	203,108(25)
Patient Care	3,100,178(370)
Plant Operations	572,198(54)
Food Services	620,138(51)
Total Requirements	6,274,510(623.5)
Less Estimated Appropriated Receipts	203,586(5)
Net Appropriation	6,070,924(618.5)
Waimano Training School and Hospital	
Administration	53,742(4.4)
Extramural Activities	146,843(5)
Hospital Improvement Program:	
Intensive Care of Young, Retarded Children at Waimano	50,664
Intensive Program for Community Placement	75,335(3)
Medical and Hospital Services	689,130(93.5)
Social Services and Placement	157,635(15)
Training	155,983(15)
Cottage Life	1,007,598(165)
Institution Facilities	
Administration	95,732(10)
Food Service	496,930(39)
Maintenance and Production	562,506(44)
Sewing Services	39,905(2)
Total Requirements	3,532,003(395.9)
Less Estimated Appropriated Receipts	100,000
Net Appropriation	3,432,003(395.9)
Research Projects	
Total Requirements	36,755
Less Estimated Appropriated Receipts	36,755
Net Appropriation	—

Provided, that if a sum less than \$1,200,000 is provided by Congress for the Hansen's disease program, then the difference between \$1,200,000 and the sum so provided is hereby appropriated, and provided, further, that if a sum greater than \$1,200,000 is so provided, then the amount of the net general appropriation shall be reduced to the extent that the actual realization shall exceed the estimated sum of \$1,200,000 for the fiscal year 1969-1970.

Provided, further, that the appropriation for Hawaii State Hospital is intended for an average daily inpatient population of 650.

Provided, further, that the appropriation for Waimano Training School and Hospital is intended for an average daily ward population of 835.

Provided, further, that the sum of \$196,000 for financial aid to mental retardation associations shall be used on programs for the severely mentally retarded from ages 4 to 21 years and allocated on the basis of \$7,000 per class, per 12-month program and distributed quarterly in advance.

Provided, further, that included in the Preventive and Clinical Services program authorization is the sum of \$25,000 for the short-term hospital care and treatment for alcoholics.

Provided, further, the sum of \$20,000 is appropriated for the establishment of a statewide pediculosis eradication program for the public schools.

Provided, further, the two statistical positions granted in the Injury Control Program shall continue only so long as federal funds are made available.

Provided, further, the appropriation for the New Careers Program shall not be used for any other program.

Provided, further, that the sum of \$25,000 for in-service training included in the appropriation of Waimano Training School and Hospital shall be expended only in the event that federal funds are not available.

Provided, further, that included in the appropriation of the Children's Health Services program is the sum of \$35,000 for financial aid to the Special Educational Center in Honolulu, to be allocated on the basis of \$7,000 per class, per 12 month program, and distributed quarterly in advance.

**ACT 97 HEALTH FUNCTIONS** 7,299,698(1,379.75)

Maluhia Hospital	
Net Appropriation	2,533,911(285)
Hilo Hospital	
Total Requirements	3,687,723(405.75)
Less Estimated Hospital Receipts	2,468,500
Net Appropriation	1,219,223(405.75)
Honokaa Hospital	
Net Appropriation	364,550(36.5)
Kohala Hospital	
Net Appropriation	275,394(31.5)
Kona Hospital	
Net Appropriation	441,213(43.5)
Kula Sanatorium and General Hospital	
Total Requirements	1,510,610(180)
Less Estimated Hospital Receipts	684,250
Net Appropriation	826,360(180)
Maui Memorial Hospital	
Total Requirements	2,215,178(227.5)
Less Estimated Hospital Receipts	1,600,000
Net Appropriation	615,178(227.5)
Hana Medical Center	
Total Requirements	80,804(5)
Less Estimated Hospital Receipts	24,000
Net Appropriation	56,804(5)
Kauai Veterans Memorial Hospital	
Total Requirements	641,139(58)
Less Estimated Hospital Receipts	550,000
Net Appropriation	91,139(58)
Samuel Mahelona Memorial Hospital	
Total Requirements	945,326(107)
Less Estimated Hospital Receipts	69,400
Net Appropriation	875,926(107)

Provided, that the appropriation for hospitals operating under special funds is a supplement to the estimated receipts for the operation and maintenance of such hospitals for fiscal year 1969-1970.

Provided, further, that the appropriations for hospitals covered under Act 97, Session Laws of Hawaii 1965, are intended for the following average daily inpatient population: Maluhia (144); Hilo (310); Honokaa (25); Kohala (14); Kona (43); Kula (148); Maui Memorial (103); Hana (2); Samuel Mahelona Memorial (85); and Kauai Veterans Memorial Hospital (39).

<b>JUDICIAL BRANCH</b>	6,096,518(538)
Supreme Court	
Supreme Court Proper	289,845(19)
Administrative Director	236,691(9)
State Law Library System	111,870(5)
Publication of Hawaii Reports	22,050
Bar Examination	3,000
District Court of Kalawao	250
Revisor of Statutes	72,329(4)

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Total Requirements	736,035(37)
Less Estimated Special Funds	3,000
Net Appropriation	733,035(37)
Land Court	
Net Appropriation	45,318(4)
First Circuit Court	
First Circuit Court Proper	1,065,750(100)
Jury Trial Expenses	344,950
Adult Probation	215,842(25)
Net Appropriation	1,626,542(125)
Family Court	
Family Court Proper	1,021,904(95)
Juvenile Detention Home	286,468(35)
New Careers	
Total Requirements	44,115
Less Estimated Appropriated	1,352,487(130)
Receipts	10,776
Net Appropriation	1,341,711(130)
Second Circuit Court	
Second Circuit Court Proper	131,946(12)
Jury Trial Expenses	23,188
Family Court	168,627(17.5)
Net Appropriation	323,761(29.5)
Third Circuit Court	
Third Circuit Court Proper	185,120(16)
Jury Trial Expenses	26,000
Family Court	160,369(17)
Net Appropriation	371,489(33)
Fifth Circuit Court	
Fifth Circuit Court Proper	101,823(9)
Jury Trial Expenses	9,165
Family Court	69,201(5)
Net Appropriation	180,189(14)
District Court	
District Courts of Honolulu	486,469(41)
Judicial Services	541,286(69)
Traffic Violations Bureau	
Rural District Courts	217,085(28)
District Courts of Maui	87,971(10.5)
District Courts of Hawaii	108,121(12)
District Courts of Kauai	33,541(5)
Net Appropriation	1,474,473(165.5)

Provided, that the appropriation for jury trial expenses shall not be used for any other purpose.

Provided, further, that from the appropriation for the office of the administrative director, the Judicial Branch shall make funds available to cover operating expenses of the Judicial Council.

Provided, further, that from the appropriation for the Family Court, the sum of \$95,076 is to be used only for the purpose of placing delinquent wards in foster homes, including child care institutions.

Provided, further, that the appropriation for the Juvenile Detention Home is intended for an average daily ward population of 52 children.

Provided, further, that from the appropriation for the office of the administrative director of courts, the sum of \$100,000 or so much thereof as may be necessary is to be available for rental payments to the counties for space occupied by the district courts.

Provided, further, that the appropriation for the New Careers Program shall not be used for any other program.

Provided, further, that from the appropriation for the office of the administrative director of courts, the sum of \$28,300 is to be available for preparation of bills and rules revising civil procedure and related subject matter, and provided further that expenditures for this project shall not be subject to Chapters 76 and 77 and Section 78-1 of the Hawaii Revised Statutes.

<b>LABOR AND INDUSTRIAL RELATIONS, DEPARTMENT OF</b>	<b>1,762,194(120.6)</b>
Administration	
Net Appropriation	263,997(24.9)
Computer Center No. 2	
Total Requirements	415,438(26)
Less Estimated Appropriated Receipts	171,636(14.8)
Department of Taxation Requirements	169,844
Net Appropriation	73,958(11.2)
Apprenticeship	
Net Appropriation	53,670(5)
Labor Law Enforcement	
Net Appropriation	239,220(25)
Workmen's Compensation	
Net Appropriation	233,384(27)
Temporary Disability Insurance	
Net Appropriation	600,000
Industrial Safety	
Net Appropriation	274,575(26)
Hawaii Employment Relations Board	
Net Appropriation	23,390(1.5)
Manpower Development and Training Act	
Total Requirements	280,000
Less Estimated Special Funds	280,000
Net Appropriation	—
Employment Security	
Total Requirements	3,824,332(343)
Less Estimated Appropriated Receipts	3,824,332(343)
Net Appropriation	—

Provided, that the sum of \$5,000 in departmental administration for fisherman training shall be used for this purpose only.

Provided, further, that the sum of \$600,000 is available for the implementation of H. B. No. 55, Regular Session, 1969, should it be enacted into law; provided, further, that this appropriation shall not be used for any other program; provided, further, that the department of labor and industrial relations is authorized to establish up to twelve permanent or temporary positions to administer the provisions of H. B. No. 55.

<b>SOCIAL SERVICES, DEPARTMENT OF</b>	<b>29,866,753(823.5125)</b>
Departmental Administration	
Total Requirements	784,509(72)
Less Estimated Federal Funds	310,630(2)
Net Appropriation	473,879(70)
Parole and Pardon of Felons	
Net Appropriation	186,165(19)
Public Housing	
Total Requirements	5,842,567(223)
Less Estimated Special Funds	5,330,473(217)
Net Appropriation	512,094(6)
Criminal Injuries — Compensation Commission	
Net Appropriation	23,544(1.5)
Corrections Division	
Administration	
Net Appropriation	72,429(6)
Detention and Rehabilitation of Juvenile	
Offenders — Hawaii Youth Correctional Facility	
Net Appropriation	760,578(83)
Juvenile Parole	
Net Appropriation	99,598(7)
Custody and Rehabilitation of Felons —	
State Prison	
Total Requirements	1,773,889(158)

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	Less Estimated Special Funds	277,787(9)
	Net Appropriation	1,496,102(149)
Kulani Honor Camp		
	Net Appropriation	392,057(34)
Olinda Honor Camp		
	Net Appropriation	218,680(19)
Public Welfare Services		
Administration		323,043(21)
Oahu Branch		2,008,791(234.5)
Hawaii Branch		399,661(39.05)
Maui Branch		198,113(21.5)
Kauai Branch		154,756(17.8)
	Total Requirements	3,024,364(333.85)
	Less Estimated Appropriated Receipts	1,146,846(12.50)
	Net Appropriation	1,877,518(321.35)
Vocational Rehabilitation and Services for the Blind		
Vocational Rehabilitation		1,910,425(79.90)
Services to the Blind		565,232(27.7625)
Disability Determination		178,426(10.55)
	Total Requirements	2,654,083(118.2125)
	Less Estimated Appropriated Receipts	1,894,817(10.55)
	Special Funds	151,423
	Net Appropriation	607,843(107.6625)
Economic Assistance		
Payments to Indigents and Medically Indigent:		
Aid to Aged, Blind and Disabled		14,894,922
Aid to Families with Dependent Children		19,579,915
Child Welfare Foster Care		984,724
General Assistance		3,815,029
	Total Requirements	39,274,590
	Less Estimated Appropriated Receipts	16,806,607
	Net Appropriation	22,467,983
Rehabilitation Fund		
	Net Appropriation	325,000
Work Incentive Program		
	Net Appropriation	60,000
Payments for Disabled and Paraplegic Veterans		
	Net Appropriation	21,425
Act 97 — Burial of Indigents		
	Net Appropriation	87,358
Act 97 — Medical Payments for State and County Pensioners		
	Net Appropriation	184,500

Provided, that for engineering services in the public housing program, the position ceiling to be financed out of project funds shall be 13.

Provided, further, that \$33,837 from the State Prison program is available to transport and care for felons transferred to mainland penitentiaries.

Provided, further, that the appropriation for the detention and rehabilitation of juvenile offenders program is intended for an average daily ward population of 95 children.

Provided, further, that the appropriation for the custody and rehabilitation of felons — State Prison program — is intended for an average daily inmate population of 265 felons.

Provided, further, that the appropriation for the custody and rehabilitation of felons — Kulani Honor Camp Program — is intended for an average daily inmate population of 60 felons.

Provided, further, that the appropriation for the custody and rehabilitation of felons — Olinda Honor Camp Program — is intended for an average daily inmate population of 40 felons.

Provided, further, that from the appropriation for the juvenile parole program, the sum of \$31,950 shall be used for purchasing foster home care and clothing for wards paroled from Hawaii Youth Correctional Facility.

Provided, further, that the sum of \$47,414 in the social welfare services program shall be available for scholarships on a statewide basis to any qualified applicant.

Provided, further, that the appropriation for payments for indigents is intended for average monthly caseloads of: aid to the aged, blind and disabled — 4,192 cases; aid to families with dependent children — 5,557 cases; child welfare foster care — 614 cases; and general assistance 1,672 cases.

Provided, further, that the appropriation for medical payments for indigents and medical indigents is intended for the following: inpatient care — 10,026 patients for an average length of stay of 9.3 days per patient; extended facility care — 2,172 patients for an average length of stay of 194.5 days per patient; and out-patient care — 45,952 patients for an average of 6.6 visits per patient.

Provided, further, that the appropriation for the New Careers Program shall not be used for any other program.

**FINANCE, COMMERCE AND STAFF DEPARTMENTS  
ACCOUNTING AND GENERAL SERVICES, DEPARTMENT  
OF**

Departmental Administration	11,438,472(649)
Net Appropriation	210,582(23)
Insurance Management Program	
Administration	785
Commercial Insurance Purchase of	
Auto Fleet Coverage	61,200
Comprehensive Crime Coverage	32,000
State Insurance Fund	
Workmen's Compensation	525,000
Fire and other Casualties	250,000
Total Requirements	868,985
Less Estimated Special and	
Federal Funds	122,540
Net Appropriation	746,445
Internal Post-Audit	
Net Appropriation	180,473(14)
Division of Accounting	
Uniform Accounting and Reporting	65,743(7)
System Accounting	65,810(5)
Pre-Audit	142,161(15)
Net Appropriation	273,714(27)
Computer Center No. 1	
Total Requirements	466,127(29)
Less Estimated Reimbursements	52,000
Net Appropriation	414,127(29)
Public Archives Division	
Records Service	81,096(10.75)
Records Management	45,095(6.25)
Captain Cook Memorial	500
Total Requirements	126,691(17)
Less Estimated Special Fund	500
Net Appropriation	126,191(17)
Division of Central Services	
Maintenance and Operation of	
Buildings and Grounds	2,214,337(180)
Repairs and Alterations of Buildings	527,016(30)
Central Messenger Service	24,237(5)
Repairs and Maintenance of Schools	6,094,322(258)
Total Requirements	8,859,912(473)
Less Estimated Special Funds	100,075
Net Appropriation	8,759,837(473)
Automotive Services Division	
Parking	196,193(11)
Motor Pool	158,491(8.5)
Total Requirements	354,684(19.5)
Less Estimated Special Funds	354,684(19.5)
Net Appropriation	—

## ACT 154

Land Surveying	
Net Appropriation	326,195(30)
Division of Public Works	
Public Works Administration	
Net Appropriation	263,681(21)
Division of Purchasing and Supply	
Central Purchasing and Supply	108,285(14)
Inventory Management	8,442(1)
Federal Surplus Property	68,845(10)
State Surplus Property	7,998
Total Requirements	193,570(25)
Less Estimated:	
Federal Surplus Property	
Revolving Fund	68,845(10)
State Surplus Property	
Revolving Fund	7,998
Net Appropriation	116,727(15)
Kamehameha Day Celebration Commission	Celebration Expenses
City and County of Honolulu	10,000
Hawaii County	5,000
Kauai County	2,500
Maui County, including Kalaupapa	3,000
Net Appropriation	20,500
 <b>ATTORNEY GENERAL, DEPARTMENT OF THE</b>	
Attorney General's Office Proper	1,033,136(60)
Litigations	
Total Requirements	963,435(67)
Less Estimated Special Funds	150,000
Net Appropriation	1,113,435(67)
Office of the Sheriff	
Net Appropriation	190,098(14)
Bureau of Crime Statistics	923,337(53)
Net Appropriation	
Bureau of Civil Identification	64,820(2)
Net Appropriation	
BUDGET AND FINANCE, DEPARTMENT OF	35,079(4)
Departmental Administration	
Net Appropriation	61,861,835(179)
Budget Division	
Budget Services	
Bonus to Pensioners	232,668(23)
Act 97 Functions:	
Employees' Retirement System Contribution	2,520,128
Administrative Overhead	
Net Appropriation	1,504,172
Commission on Children and Youth	300,000
Net Appropriation	4,556,968(23)
Management Division	
Net Appropriation	76,297(6)
Statewide Information System Division	
Net Appropriation	33,567(2)
Finance Division	
Cash and Debt Management	
Public Debt Service	1,846,336(94)
Bonded Debt	110,987(8)
Student Loan Fund	103,456
Veterans' Loans	29,992,285
Total Requirements	200,000
Less Estimated Special Funds	1,796,427(2)
Net Appropriation	32,203,155(10)
Less Estimated Special Funds	1,811,427(2)
Net Appropriation	30,391,728(8)

Employees' Retirement System	
Administration	320,418(26)
Contributions	19,069,240
Pensions	25,605
Total Requirements	19,415,263(26)
Less Estimated Counties' Pro-Rata Share	85,423
Net Appropriation	19,329,840(26)
Employees' Group Medical and Hospital Care:	
Administration	98,994(9)
Contributions	5,322,598
Net Appropriation	5,421,592(9)
Commission on Aging	
Total Requirements	217,532(3)
Less Estimated Federal Fund — Older Americans Act	109,240
Net Appropriation	108,292(3)

Provided, that the \$500,000 appropriated to SWIS for program expansion purposes shall be expended only upon approval by the director of finance.

Provided, further, that the board of trustees of the employees' group medical and hospital care program may use so much of the contributions appropriations as necessary to advance to employee-beneficiaries their monthly contributions to the fund.

Provided, further, that the \$40,000 granted to the Commision on Aging to match federal funds shall not be used for any other purpose.

Provided, further, that the Director of Budget and Finance may grant, out of any moneys in the treasury not otherwise appropriated upon warrant drawn by the Comptroller, financial institutions participating in the student loan program under Title IV, Part B of the Higher Education Act of 1965, as amended (P.L. 89-329, as amended) up to 1% per year for each dollar which they lend to students who are residents of the State of Hawaii under said program.

Provided, that the Governor may transfer funds and personnel from existing agencies and departments of the state government for the purpose of establishing an integrated statewide data processing system of the state including all related activities.

<b>EXECUTIVE</b>	1,891,354(35)
Governor's Office	
Net Appropriation	1,114,054(23)
Washington Place	
Net Appropriation	94,290(8)
Governor's Contingent Fund	
Net Appropriation	100,000
Hawaii Office of Economic Opportunity	
Total Requirements	284,663(7)
Less Estimated Federal Funds	77,177(7)
Net Appropriation	207,486
Western Interstate Commission for Higher Education	
Net Appropriation	114,050
Institute for Technical Exchange	
Net Appropriation	3,500
State Foundation on Culture and the Arts	
Total Requirements	213,579(4)
Less Estimated Federal Funds	50,000
Net Appropriation	163,579(4)
Committee on Employment of the Handicapped	
Net Appropriation	24,395
State Law Enforcement Improvement Program	
Total Requirements	548,108
Less Estimated Federal Funds	478,108
Net Appropriation	70,000

Provided, that the appropriation for the Governor's Office and Washington Place shall be expended at the discretion of the Governor.

Provided, further, that expenditures from the Governor's Contingent Fund may be made with the approval of the Governor for urgent needs; a detailed accounting of all expenditures shall be submitted to the legislature 20 days prior to the next regular session of the legislature.

Provided, further, that in the event expenditures from the Governor's Contingent Fund exceed \$100,000, the Governor may submit a deficiency appropriation request.

**ACT 154**

<b>LIEUTENANT GOVERNOR, OFFICE OF THE</b>	275,375(13)
Lieutenant Governor's Office	
Net Appropriation	147,551(10)
Elections Administration	
Net Appropriation	127,825(3)
Provided, that the appropriation for the Lieutenant Governor's Office shall be expended at the discretion of the Lieutenant Governor.	
<b>PERSONNEL SERVICES, DEPARTMENT OF</b>	531,530(50)
Personnel Services	
Net Appropriation	517,993(50)
Appeals Board	
Net Appropriation	13,537
New Careers Project	
Total Requirements	273,418(5)
Less Appropriated Receipts	273,418(5)
Net Appropriation	
Provided, that in the New Careers Project, the Department may fill the remainder of the 80 enrollee positions authorized for fiscal year 1968-69 only if Federal funds are available.	
<b>REGULATORY AGENCIES, DEPARTMENT OF</b>	1,412,453(129)
Administration	
Net Appropriation	162,898(18)
Bank Examination	
Net Appropriation	220,753(20)
Business Registration	
Net Appropriation	87,694(9)
Fire Marshal	
Net Appropriation	38,515(3)
Insurance Division	
Net Appropriation	116,829(12)
Regulatory Boards and Commissions	
Net Appropriation	30,843
Professional and Vocational Licensing	
Net Appropriation	340,523(34)
Public Utilities Commission	
Net Appropriation	414,398(33)
<b>TAXATION, DEPARTMENT OF</b>	3,569,820(373)
Headquarters Administration	
Net Appropriation	590,172(47)
Property Technical	
Net Appropriation	236,612(28)
Systems and Procedures	
Net Appropriation	263,389(13)
Field Administration	
Net Appropriation	197,190(15)
Property Assessment	
Net Appropriation	615,042(71)
Income Assessment and Audit	
Net Appropriation	1,172,902(140)
Collections	
Net Appropriation	477,631(59)
Boards of Review	
Net Appropriation	6,820
Multi-State Tax Compact	
Net Appropriation	10,062
<b>OTHER APPROPRIATIONS</b>	
<b>STATE ETHICS COMMISSION</b>	
Net Appropriation	28,000
<b>PRIVATE HOSPITAL SUBSIDIES</b>	240,000
Provided, that the subsidies for private hospitals shall be disbursed by the Department of Health.	

Provided, further, that Lanai, Molokai and Pahala Hospitals allow the State Department of Budget and Finance and other related agencies full access to their records, files, reports and other related areas in order to assist and improve their management and fiscal policies.

#### SALVATION ARMY CENTER

Net Appropriation	105,000
Provided, that the subsidy for the center, shall be disbursed by the Department of Health for the direct costs of the short-term care of alcoholics, and shall not be expended for any administrative overhead of the center.	

#### STRONG-CARTER DENTAL CLINIC

Net Appropriation	5,000
CEMETERIES	
Island of Hawaii	7,500
Island of Kauai	7,500
Island of Maui	7,500
Island of Molokai	3,750
Net Appropriation	26,250

#### PACIFIC WAR MEMORIAL COMMISSION

Net Appropriation	4,200
LUNALILO HOME	
Net Appropriation	15,000

Section 2. The sum of \$307,147 (27), or so much thereof as shall be sufficient to accomplish the purposes, is hereby approved for the Hawaiian Homes Administration account pursuant to the provisions of Section 213(f), Hawaiian Homes Commission Act of 1920, as amended, from the proceeds of leasing income from available lands as defined in Section 204 of said act.

In addition to the sum approved in the previous paragraph, there is hereby appropriated out of the general revenues of the State the sum of \$125,000 or so much thereof as may be necessary, for deposit into a special revolving account within the Hawaiian home-loan fund established pursuant to the provisions of Act 4, Session Laws of Hawaii 1965, for educational purposes only.

Section 3. Sand Island income from lands and facilities dedicated to the University of Hawaii shall be expended for the operating expenses of the University. Such income, excluding amounts required to reimburse the general fund for capital improvements, shall be deposited into the general fund of the State and shall be considered to be a reimbursement to the general fund for moneys appropriated for the operation of the University of Hawaii under Section 1 of this Act. Sand Island income from other non-University lands and facilities shall be deposited into the Harbor Special Fund.

Section 4. The sum of \$206,000 of East-West Center direct support funds, or so much as may be made available by the East-West Center for direct support purposes, is hereby authorized to be expended by the University of Hawaii. This amount shall be deposited into the general fund of the State and shall be considered to be a reimbursement to the general fund for moneys appropriated for the operation of the University of Hawaii in Section 1 of this act. In the event that actual amount of East-West Center direct support funds for the fiscal year 1969-1970 should fall under or exceed the amount of \$206,000 estimated, the appropriations made to the University of Hawaii in Section 1 of this act shall be decreased or increased by the amount the actual direct support funds fall under or exceed the amount of \$206,000.

Section 5. The director of finance may advance funds to the University of Hawaii when required to meet reimbursable costs incurred in connection with federally financed research and training projects.

## **ACT 154**

Section 6. The Governor is hereby authorized to create not more than 40 permanent or temporary positions to be allocated by him to any of the executive departments as he shall deem proper, provided, that this section shall not apply to the Department of Education and the University of Hawaii.

Section 7. There is hereby appropriated out of the public trust fund created by Section 5(f) of the Admission Act (Public Law 86-3, 86th Congress), the total amount of the proceeds from the sale or other disposition of any lands, and the income therefrom, granted to the state by Section 5(b) or later conveyed to the state by Section 5(e), with the exception of such proceeds covered under Section 171-19, Hawaii Revised Statutes, to be disposed of by the board of land and natural resources, in order to reimburse the general fund for the appropriation made in Section 1 of this act to the Department of Education for the support of public schools, to the extent such proceeds are realized for the period beginning July 1, 1969 to June 30, 1970. The above proceeds shall be exclusive of the amount disposed of under the provisions of the Hawaiian Homes Commission Act of 1920, as amended.

Section 8. For the fiscal year 1969-1970, in the absence of legislative authorization for special funds in Section 1 of this act as provided under Section 2 of Act 320, Session Laws of Hawaii 1957, departments and establishments shall be authorized to expend so much as is deemed necessary to carry out the purpose of each special fund, as approved by the board of education for the Department of Education and in all other cases by the Governor, or the director of finance if so delegated by the Governor, provided, that such expenditures shall not exceed the moneys available in such special funds.

The University of Hawaii is hereby authorized to expend from their special funds any receipts in excess of the amount specified in Section 1, if such expenditures are approved by the Governor or if so delegated by the director of finance.

Section 9. The Governor is responsible for the effective coordination of the various federal programs and for the acquisition of available federal grants which will be of benefit to the State. In carrying out this function, maximum use should be made of congressional delegations and their staffs.

A sum of \$20,000 appropriated in Section 1 for the Commission on Marine Science, Engineering and Resources may be used to supply supplemental staff assistance to Hawaii's member on the Commission on Marine Science, Engineering and Resources with the understanding that all or a substantial part of the amount will be matched by private funds. The basic purpose of such staff will be to identify and develop oceanographic research and development opportunities for the State, including programs or grants available to the University of Hawaii and other public or private agencies eligible under Public Law 89-688 and related legislation.

Section 10. Whenever the functions of a previously existing department, office or other agency are transferred to any other department by legislation enacted during any session of the legislature which affects the appropriations made by this act, the Governor, or the Department of Budget and Finance, if so delegated by the Governor, shall transfer the necessary funds to support such function from the department to which the appropriation was made to

the department to which the function has been transferred.

Section 11. The designations referring to division, bureaus, offices and other subdivisions of a department are used in this act for convenience only and such use is not intended to create or confirm the existence of such departmental subdivision.

Section 12. In allotting funds to the Department of Health, Department of Social Services, tubercular hospitals and other departments, commissions and agencies having appropriations which are based on population and workload data as specified in this act, only so much as is necessary to provide the level of services intended by the legislature shall be allotted by the Department of Budget and Finance. For this purpose, the departments and agencies concerned shall reduce expenditures below appropriations as prescribed by the Department of Budget and Finance in the event actual population and workload trend is less than the specified figure. In the event that the trend is higher than the specified figure, or the reasonable average daily cost of medical care for the needy and medically needy exceeds the anticipated average sum per patient day upon which the appropriation therefor was based, the department is authorized to submit a deficiency appropriation request to the extent and on such basis as may be prescribed by the director of the Department of Budget and Finance.

Section 13. Except as otherwise provided, transfer of funds between program appropriations within a department, including the University of Hawaii, may be made by the head of the department upon his certification, and approval by the director of the Department of Budget and Finance, that appropriation balances are or will be available for such transfers after the program objectives intended by the legislature have been accomplished and that such transfers are necessary to accomplish program objectives authorized by the legislature.

Section 14. Where the operation of a department or a program is financed by general appropriation as well as by non-general appropriation funds, the general appropriation portion shall be decreased to the extent that the receipt of non-general appropriation funds approved in this act are exceeded, provided, that such decrease shall not jeopardize the receipt of such increased non-general appropriation funds; provided, further, that this section shall not apply to any fund if such excess receipts are to be expended for a purpose or purposes approved by the Governor or the director of the Department of Budget and Finance if such authority is so delegated by the Governor.

Section 15. The maximum number of positions authorized for the state government during the fiscal year 1969-1970 is the sum of the positions enclosed in parentheses after the appropriation or approved amounts for state programs, provided, that this section shall not apply to any position required to perform a function or service of a temporary or non-recurring character.

Section 16. Funds appropriated in this act shall not be used by a department for the purpose of conducting a study or survey of its management practices or for any other purpose, except as authorized by this act or as authorized by the Governor. This section shall not apply to the Department of Education and the University of Hawaii.

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Section 17. Any law to the contrary notwithstanding, any state or county official, body or agency, or any private person, association, partnership or corporation performing any repair or construction project financed in part or in whole by state funds appropriated by this act shall cooperate to the fullest extent possible with the Department of Labor and Industrial Relations in the hiring and utilization of unemployed persons; provided, that such persons may be employed on a temporary basis which shall be exempt from Chapters 76, 77, and 88, Hawaii Revised Statutes; and provided, further, that such persons shall meet the minimum requirements necessary for such position.

Section 18. The Department of Social Services, Department of Health, Department of Education, and other departments within the State and county governments shall undertake to cooperate with each other in order that utilization of prison labor, welfare recipient workers and non-teaching employees of the Department of Education can be utilized whenever and wherever it is reasonably practicable to carry out the objectives and programs of the departments concerned.

Section 19. The Governor may expend, in addition to the amount appropriated in Section 1 for the Hawaii Office of Economic Opportunity, a sum not to exceed \$250,000; provided that such amount and any balance of the said appropriation in Section 1 not needed for Economic Opportunity Act matching purpose may be used to make necessary advances subject to federal reimbursements to implement authorized projects, or to provide either matching or implementation money for Economic Opportunity projects or other related projects in areas such as health, education, housing, social welfare or employment; provided further, that the director of finance may advance funds when required to meet reimbursable costs incurred in connection with federally financed programs of the Hawaii Office of Economic Opportunity, including the Job Corps program.

Section 20. With the approval of the director of Budget and Finance, the Department of Health may transfer funds appropriated to the Department of Health for the care and treatment of patients to the Department of Social Services whenever the Department of Social Services can utilize such funds to match federal funds which may be available to help finance the cost of hospital or skilled nursing home care of indigents or medical indigents.

The Department of Social Services is authorized to enter into agreements with the Department of Health to furnish hospital and/or skilled nursing home care and to pay the Department of Health for such care. With the approval of the director of budget and finance, the Department of Health may deposit part of such receipts into the appropriations from which transfers were made.

Section 21. Any law to the contrary notwithstanding, the director of transportation, or any state or county official, body or agency, or any private person, association, partnership or corporation performing any repair or construction project, including the State Highway System and the maintenance thereof, financed in part or in whole by state funds appropriated by this act, shall cooperate to the fullest extent possible with the Department of Labor and Industrial Relations in the hiring and utilization of the physically handi-

capped, college and high school students, age 16 and above, the unemployed, and persons whose earning capacities are or may be reduced by old age; provided, that when such person is employed by any governmental official, body, or agency, he may be employed on a temporary basis and his employment shall be exempt from Chapters 76, 77, and 88, Hawaii Revised Statutes.

Section 22. If any section, subsection, paragraph, sentence, clause, phrase or appropriation contained in this act is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this act.

Section 23. There is hereby appropriated out of the general revenues of the State the sum of \$500,000 for deposit into the Board of Regents higher education loan fund established pursuant to the provisions of H.B. No. 979, Fifth State Legislature, State of Hawaii, provided, however, that this appropriation shall be effective only if the said H.B. No. 979 is enacted into law.

Section 24. This act shall take effect from and after July 1, 1969.

(Approved June 30, 1969.)

**ACT 155****S. B. NO. 2**

A Bill for an Act Relating to Public Improvements and the Financing Thereof, Making Appropriations for Public Improvements and Plans Related Thereto Out of General Revenues, Special Funds, General Obligation and Revenue Bond Funds and Grants; and Providing for the Issuance of General Obligation and Revenue Bonds.

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

Section 1. The following sums, or so much thereof as shall be sufficient to finance the projects herein contained, are hereby appropriated, or authorized, as the case may be, from monies in the treasury received from general revenues, special funds, general obligation bond funds, Harbor revenue bond funds, Airport revenue bond funds, University of Hawaii revenue bond funds, Hawaii Housing Authority bond funds, and grants, to be expended by the Department of Accounting and General Services, unless otherwise specified in the subsection. The Governor, in his discretion, is authorized to use either general fund revenues or general obligation bond funds to finance those projects where the method of funding is not designated and the total sum of general obligation bond funds and general fund revenues so used shall not exceed \$147,261,000. General obligation bonds may be issued as provided by law to yield the amount that may be necessary to finance projects herein that do not have funding specifically designated and where the projects are designated to be reimbursable provided that the sum total of the general fund revenues used and general obligation bonds so issued shall not exceed \$147,261,000. The letter symbols used after the specific project appropriations, if any, indicate the source of financing and shall have the following meaning: (a) general obligation bond funds with debt service costs to be paid from special funds, (s) special funds, (r) revenue bond funds, (FAI) federal aid interstate highway funds, (FAP) federal aid primary highway funds, (FAS) federal aid secondary highway funds, (FAU) federal aid urban highway funds, (f) other federal funds, and (x) county funds.

## ACT 155

### A. DEPARTMENT OF AGRICULTURE

#### Oahu

1. Animal Quarantine Station, Oahu — Construction of virus immunization building and equipment for support facilities necessary to complete relocation to Ha'awa. Plans and construction of additional kennels. 391,000
2. Plant Quarantine and Fumigation Facilities, Honolulu, Oahu — Plans and construction of a new plant quarantine station and a new plant fumigation facility at Fort Armstrong. 475,000
3. Petroleum Laboratory Equipment, Honolulu, Oahu — Renovation of existing facilities and purchase of equipment to establish a petroleum laboratory. 75,000

#### Maui

4. Vacuum Cooling Plant, Kahului, Maui — To rehabilitate and enlarge existing vacuum cooling plant. 55,000

#### Hawaii

5. Animal Quarantine Station, Hawaii — Plans and construction for animal quarantine station in Hilo, also for a rat eradication and extermination program in the State. 150,000

### B. DEPARTMENT OF LAND AND NATURAL RESOURCES

(To be expended by the Department of Land and Natural Resources)

#### Statewide

##### State Parks

1. Statewide Archeological and Historical Preservation — Incremental research, acquisition, preservation, restoration, development and interpretation of the State's historic places, structures, and objects and development of a comprehensive statewide historic preservation inventory, register and plan. Archeological survey, salvage, and enforcement are included in research. 155,000

#### Oahu

##### Land Development

2. Food Distribution Center, Oahu — Plans and construction of site improvements for a food distribution center in the Fort Armstrong area. 680,000
3. Waimanalo Core Development, Oahu — Development of State lands into residential lots, including off-site sewer, drainage, and road. 820,000
4. Land acquisition, Oahu — For the acquisition of sufficient privately held lands to be applied towards the acquisition of 57.03 acres of federally owned land at Fort Ruger by exchange or otherwise. (The balance of the total price due from the State to be paid by subsequent appropriation.) 1,000,000

##### Fish and Game

5. Keehi Fishery Station, Oahu — Plans for a building on a slab floor for the division of Fish and Game to provide work and storage space, indoor rearing and holding facilities for aquatic animals, garage for vehicles and boats and workshop for repair of equipment; alteration of existing building to provide more office and laboratory space to facilitate operation of the station. 11,000
6. Honolulu Game Management Facilities, Oahu — Construction of warehouse-workshop at Makiki in Honolulu and fencing around spring at Kuaokala Game Management area, Kaena Point, Oahu. 8,000  
1,500 f

##### State Parks

7. Kahana Valley State Park, Koolauloa, Oahu — Final installment to acquire the entire valley in fee. 1,000,000

8. Iolani Palace and Barracks Restoration, Honolulu, Oahu — Incremental research, preservation, restoration and presentation of the Iolani Palace complex including the Palace and grounds as an historic restoration and the Barracks as a military museum. (Funds from Item K-7 of Act 217, SLH 1967 and Item B-3 of Act 40, SLH 1968 as appropriated to the Barracks and funds from Item N-7 of Act 195, SLH 1965 and Item K-11 of Act 217, SLH 1967 as appropriated to the Palace may be used to supplement this appropriation.)	296,000
9. Makua-Kaena Point State Park, Oahu — Acquisition of lands from Makua to Dillingham Air Force Base and Master Plan.	400,000
10. Waimanalo Bay State Recreation Area, Oahu — Master plans for the development of the Waimanalo Bay Recreation Area into a major beach park.	50,000
11. Wahiawa Fresh Water Park, Oahu.	50,000
12. Makua Valley State Park, Oahu — Improvements and development of recreational facilities.	100,000

**Maui****Land development**

13. Wakiu Houselots, Maui — Construction of subdivision improvements, including roads, off-site water system, and electrical system.	38,000
14. Wahikuli Land Development, Maui — Plans for development of State Lands into residential lots.	35,000

**Fish and Game**

15. Lanai Game Management Facilities, Lanai — Incremental Construction of game water units to provide water for game birds and mammals in the arid range areas of the island.	4,000 (3,000 f)
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**Forestry**

16. Polipoli Recreation Area Development, Maui — Incremental construction of trails, a sheltered viewpoint and picnic area, a self-guide nature walk and hiker's shelters, including equipment.	7,000
17. Kuhiwa Valley Road, Maui — Land acquisition and plans for two low standard truck roads for public access to forest reserve lands and administrative access for tree planting and fire control.	6,000

**State Parks**

18. Iao Valley State Park, Maui — Parking and other improvements.	50,000
19. Waianapanapa State Park, Maui — Incremental development to supplement prior appropriation.	65,000
20. Wahikuli Wayside Park, Maui — Construction of pavilion or pavilions.	25,000
21. Laniupoko State Park, Maui — Construction of a retaining wall for beach erosion control.	40,000
22. Palau State Park, Molokai — Incremental development to supplement prior appropriation.	50,000

**Water Development**

23. West Maui Water Project, Maui — Plans and construction of water source, transmission and storage facilities.	200,000
24. Molokai Water Project, Phase II, Molokai — Plans and construction of water source development and transmission facilities.	50,000
25. Waikane Watershed, Maui — Plans and construction for rehabilitation of existing water system.	35,000

## ACT 155

### Hawaii

#### Land Development

- |   |         |
|---|---------|
| 26. Kurtistown House lots, Hawaii — Plans and construction for House lot development of the Kurtistown School site.                         | 150,000 |
| 27. Panaewa Farm Lot Roads, Hawaii — to continue paving and resurfacing of roads and streets.   | 50,000  |
| 28. University Heights Residential Subdivision, Hawaii — Plans and construction of residential subdivision on State lands at Waiakea, Hilo. | 300,000 |

#### Fish and Game

- |  |          |
|--|----------|
| 29. Hawaii Game Management Facilities, Hawaii — Construction of roads, water tanks, game water units, signs and markers, and brush clearing. | 20,000   |
|  | 10,000 f |

#### Forestry

- |  |        |
|--|--------|
| 30. Forest Development and Timber Access Roads, Hawaii — Incremental improvements of secondary roads, Waiakea and Hilo Forest Reserve. Improvement of roads in Nenie Section and Niuepa Section of Hamakua Forest Reserve. | 26,000 |
| 31. Fences — Forest Boundary and Pasture, Hawaii — Installation of stock-proof fence in the Hamakua Forest Reserve — Keaa Section.   | 4,000  |
| 32. Chain Link Fence, Hilo, Hawaii — Installation of a chain-link fence to provide security for Division of Forestry's headquarters, motor pool, repair shops and arboretum.   | 5,000  |
| 33. Driveways and parking lot, Hilo, Hawaii — Paving of driveways, parking lot and aprons of the Division of Forestry's headquarters and motor pool area.  | 6,000  |
| 34. Public Lavatory Facilities, Hilo, Hawaii — Reconstruction of lavatory connected to existing Division of Forestry's headquarters building and serviced by covered walkway.  | 9,000  |

#### State Parks

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|--|---------|
| 35. Kealakekua Bay State Historical Park, Hawaii — Historical and archeological research and acquisition of private lands to combine with State lands.   | 260,000 |
| 36. Kiholo Bay State Park, Hawaii — Acquisition of private in-holdings and Master Plan.  | 200,000 |
| 37. Kalapana Development, Hawaii — Incremental expansion of facilities and landscaping for further development to facilitate tourist travel along Chain of Craters complex, including acquisition of lands.  | 200,000 |
| 38. Kalapana Canoe Landing, Hawaii — Plans and construction of picnic and camping pavilion, water tank, and other facilities.  | 25,000  |
| 39. Wailuku Park, Hawaii — Construction of lookout access road, parking, restroom, lookout shelter and trails at Rainbow Falls trails connecting to Boiling Pots with parking area improvements, selective clearing and landscape planting, interpretation of natural and historic values. | 125,000 |
| 40. Waialoa Park, Hawaii — Landscaping and lighting units.   | 50,000  |
| 41. Kalopa Park, Hawaii — Improvements to present facilities.  | 50,000  |
| 42. Installation of 1½ miles of 8-inch pipeline extension to State Lava Tree Park, District of Puna, County of Hawaii.   | 110,000 |

#### Water Development

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|--|---------|
| 43. Honokahau Water Project, Hawaii — Plan and construction to extend the water system from Kahaluu to Keahole, including source development, transmission and storage facilities.               | 750,000 |
| 44. South Kohala Water Project, Hawaii — Plans and construction of a water system in South Kohala, including source development, treatment facilities, transmission main and storage facilities. | 500,000 |

45. Pulama Well Development, Puna, Hawaii — Installation of pump, power, storage facilities, transmission mains and related appurtenances. (Board of Water Supply to work jointly with Hawaii Volcanoes National Park Service to service visitor center at Wahaula.)	135,000
46. Kalapana Water System, Puna, Hawaii — Phase II of Kalapana Water System.	150,000
47. Volcano — Glenwood Water Systems, Hawaii — Plans and construction for water system, including sources and development — pipelines, tanks and land acquisition and other related appurtenances.	90,000
48. Laupahoehoe Water Project, Hawaii — To supplement prior appropriations for construction of Laupahoehoe Water System; to complete development of water source and related transmission facilities.	110,000
49. Hamakua Water Development, Hawaii — Plan and construction of transmission mains, trunk lines, storage facilities and appurtenances in Hamakua, Hawaii.	60,450
50. North Kona Water System Extension, Hawaii — Extension of water system from Palani Junction toward Kalaoa.	550,000
51. Kau Water Source and Transmission Lines, Hawaii—Studies for development of new water sources and improvement of intakes, transmission and collection facilities and related appurtenances in Kau.	50,000
52. Waimea-Puukapu Trunk Line, Hawaii — Installation of 12" and 8" water mains in the Waimea area to augment the water supply.	170,000
53. North Kohala Water Development and System Improvement, Hawaii — Improvement of sources, transmission and trunk lines, storage facilities and related appurtenances.	250,000
54. Hilo Water System and Watershed Improvement, Hawaii — Improvement to sources, transmission and collection facilities.	100,000
55. Making an appropriation for the development of the Keheena Ditch water source, North Kohala, Hawaii.	200,000

**Kauai****Land Development**

56. Hanapepe Heights Residential Subdivision, Kauai — Plans and construction for development of State land into residential lots including necessary utilities.	70,000
57. Waimea Heights Houselots, Kauai — Plans and construction for development of houselots including off-site water improvements.	100,000
58. Wailua Houselots, Kauai — Development of a 13-acre site situated at Haleilio, Kaulana, and Makani Roads.	100,000
59. Nawiliwili Coral Fill, Kauai — Plans for development of area for industrial use.	10,000

**Fish and Game**

60. Kauai Game Management Improvements, Kauai — Incremental construction of game water units in game management areas, paving of parking areas at Kokee checking station and Lihue storage shed, game enclosures at Kekaha, and signs and markers.	6,000 4,000 f
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**Forestry**

61. Forest development — Trail Shelters, Kauai — Incremental construction of shelters for wildland picnic and overnight trail stops.	12,000
62. Forest Development — Trails, Kauai — Incremental construction of trails for various forest reserves to provide quick access to forest planting areas, forest fire protection and outdoor recreation sites.	18,000

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### State Parks

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|---|---------|
| 63. Haena State Park, Hanalei, Kauai — Incremental acquisition of 398 acres of land of Haena northwesterly from Limahuli Stream and the ridge top into Hanakapiai, including private inholdings of NaPali Coast land from Hanakapiai to Milolii; filling low lands in Haena to create usable recreational land, developing and constructing extensive picnic areas, camping areas, cabins, hiking trails, etc., with necessary utilities and administrative structures, facilities, etc. Plans and development to be coordinated with other existing or proposed compatible uses. | 200,000 |
| 64. Russian Fort State Monument, Kauai — Incremental development and restoration.   | 25,000  |
| 65. Wahiawa Valley-Kalaheo, Kauai — Development of cabins, roads, water, etc., and other recreational facilities.   | 125,000 |
| 66. Development Plans —Kauai Parks — Preparation of development plans for parks and recreation system, historical sites and land acquisition program for Poipu Beach Park.  | 75,000  |
| 67. Wailua River State Park, Kauai — Acquisition of inholdings and other lands indicated by master plan. Incremental improvement to include sewage pump and line from Wailua Marina, channel improvement, selective clearing and landscape planting of stream area, selective clearing and planting of upstream recreation areas.   | 50,000  |

### Water Development

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|---|---------|
| 68. Koloa-Poipu Water System, Kauai — Incremental development of water system, including storage and transmission facilities.                             | 125,000 |
| 69. Kalaheo Water System, Kauai — Incremental development of water system, including source, transmission and storage facilities.                         | 150,000 |
| 70. Kekaha Water System, Kauai — Incremental development of water system including source, storage and transmission.                                      | 150,000 |
| 71. Wailua-Kapaa Water System, Kauai — Incremental development of Wailua-Kapaa water system, including source, transmission mains and storage facilities. | 108,000 |
| 72. Hanalei-Wainiha-Intakes, Kauai — To supplement funds for the construction of permanent intakes and appurtenances.                                     | 25,000  |

## C. DEPARTMENT OF TRANSPORTATION

(To be expended by the Department of Transportation)

### Statewide

#### Airports

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|---|-----------|
| 1. Airport Planning, Statewide — Airport studies, research, and advance planning of airfield and terminal facilities. | 150,000 s |
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#### Harbors — Commercial

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| 2. Statewide Harbor Planning, Statewide—Continuing harbor studies, research, and advance planning of harbor and terminal facilities on all islands. | 50,000 s |
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#### Harbors — Small Boat

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| 3. Improvements to Boating Facilities, Statewide — Improvements to statewide boat harbors, boat launching facilities, and boat refuge areas. | 40,000 |
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#### Harbors — Others

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|--|---------|
| 4. Inter-island Ferry System, Statewide — Plans and construction for berths and terminal facilities. | 200,000 |
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#### Highways

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|---|-------------|
| 5. Highway Route Planning, Traffic, Finance, Road Use, Road Life, and Economic studies, Statewide — Highway studies | 380,000 s   |
|   | 740,000 FAI |

and research and advance planning of Federal-Aid highway projects required to qualify the State to receive Federal Aid on specific projects.	51,000 FAP 35,000 FAS 19,000 FAU
6. Miscellaneous Improvements to Existing Intersections and Highway Facilities, Statewide.	50,000 50,000 s 50,000 FAP 50,000
7. Miscellaneous Drainage Improvements to Existing Highway Facilities, Statewide.	50,000 s

**Oahu****Airports**

8. Honolulu International Airport, Oahu — Land acquisition, plans, and construction of alterations and improvements at Honolulu International Airport.	40,000,000 r
9. Windward Oahu Airport, Oahu — Acquisition of land; resurfacing of runway; construction of apron, terminal facilities, access road; relocation of existing antenna farm, and other improvements.	200,000 r 200,000 f

**Harbors — Commercial**

10. Incremental Acquisition of Private Properties and Facilities, Honolulu Harbor, Oahu.	2,459,000 2,459,000 a 1,285,000 s
11. Honolulu Harbor Improvements, Oahu—Incremental relocation and construction of additional improvements in recently acquired waterfront properties.	
12. Miscellaneous Improvements to Port Facilities, Honolulu Harbor, Oahu — Improvements to water and land facilities to improve port operations at Honolulu Harbor, including Pier 39 and Anuenue Harbor facilities. Unrequired appropriations from Act 40, SLH 1968, Item C-11 may be used to supplement this appropriation.	335,000 s
13. Improvements to Passenger Terminal at Piers 8, 9, 10, and 11, Honolulu Harbor, Oahu.	61,000 s
14. Kewalo Basin Improvements and Expansion, Kewalo Basin, Oahu — Replacement of herringbone pier and other improvements.	100,000 s 146,000 f
15. Navigational Improvements to Honolulu Harbor, Oahu — Dredging of main entrance channel, main harbor basin, and Kapalama Channel; widening of Kapalama Channel; relocation of project lines, resulting in additional maintenance dredging by the State; acquisition of land, easements and rights-of-way; revetment; and other improvements.	175,000 s 2,630,000 f
16. Barbers Point Deep Draft Harbor, Oahu — Planning, engineering and land acquisition for incremental development of a second deep water harbor for Oahu. Use of this appropriation is contingent upon the State obtaining an agreement from the land owner(s) that the lands required for the harbor and the back-up areas will be given to the State at no cost to the State.	200,000 s 15,660,000 f

**Harbors — Small Boat**

17. Maunalua Boat Harbor, Oahu — Plans for dredging of entrance channel and harbor basin, plans for construction of bulkheads, catwalks, and facilities for boats, and other improvements.	20,000 614,000 f
18. Heeia-Kea Boat Harbor Improvements, Oahu—Improvements to existing Heeia-Kea Boat Harbor. Completing dredging, bulkheads, moorings, utilities, parking area, and other improvements.	75,000
19. Kaneohe Bay, Oahu—Master Plans for dredging of Kaneohe Bay.	50,000
20. Kahana Bay, Oahu — Plans for development of Kahana Bay boating facilities.	50,000

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| 21. Additional Moles and Improvements at Ala Wai Boat Harbor, Oahu — Plans for continuing improvements to existing harbor in accordance with master plan presently being studied.                  | 40,000 f  |
| 22. Barbers Point Light Draft Harbor, Oahu — Dredging of channel and berthing area; land acquisition; construction of bulkhead wall, catwalks, comfort station, utilities, and other improvements. | 100,000 f |
| 23. New Heeia-Kea Boat Harbor, Oahu — Studies and surveys for the development of a new boat harbor.  | 34,000 f  |

### Harbors — Beach Erosion and Others

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| 24. Waikiki Beach Erosion Control, Oahu — Restoration of Waikiki Beach, commencing at Duke Kahanamoku Beach to Elks club. | 2,910,000 f |
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### Highways

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| 25. Interstate Route H-1 — Middle Street Separation to Koko Head Avenue, Oahu — Safety improvements on existing Lunalilo Freeway from Middle Street Separation to Koko Head Avenue.   | 388,000 a<br>2,192,000 FAI    |
| 26. Interstate Route H-1 — East of Halawa Interchange to Middle Street Separation, Oahu — Incremental construction of eight-lane divided highway, including the Pearl Harbor, Airport, and Keehi Interchanges, from east of Halawa Interchange to Middle Street Separation.           | 5,540,000 a<br>31,393,000 FAI |
| 27. Moanalua Road Improvements — Aiea toward Middle Street, Oahu — Incremental improvement of existing four-lane divided highway from Aiea to Middle Street.  | 2,516,000 a<br>2,060,000 FAU  |
| 28. Farrington Highway Improvements — Piliokoe Gulch to Mokuleia, Oahu — Incremental improvement of Farrington Highway between Piliokoe Gulch and Mokuleia. Funds to be supplemented by Items B-III-18 of Act 195/61; B-3-cc of Act 30/62; C-91 of Act 217/67; and C-28 of Act 40/68. | 890,000 a                     |
| 29. Installation of Median Guardrail and Reconstruction of Median Area — Likelike Highway, School Street to Kaneohe Bay Drive, Oahu.  | 334,000 a<br>274,000 FAP      |
| 30. Kalanianaole Highway — May Way to Hawaii Kai Drive, Oahu — Widen existing two- and three-lane highway to a four-lane highway.   | 365,000 a                     |
| 31. Castle Junction Interchange, Oahu — Construction of an Interchange at the Junction of Kamehameha Highway and Kalanianaole Highway and Pali Highway.   | 110,000 a<br>90,000 FAP       |
| 32. Improving Kamehameha Highway through Wahiawa Town, Oahu — Widening of Kamehameha Highway from Wilson Bridge to Kilani Avenue and improvement of the drainage system.  | 73,000 a<br>60,000 FAP        |
| 33. Kamehameha Highway, Helemano-Waialua Junction to Haleiwa Beach Park, Oahu — Acquisition of land to construct approximately 2.4 miles of two-lane highway from Helemano-Waialua Junction to Haleiwa Beach Park.  | 53,000 a                      |
| 34. Puuloa Road Widening — Kamehameha Highway to Moanalua Road, Oahu — Widening of the existing two-lane facility to a four-lane divided highway within the existing right-of-way including construction of portions of Puuloa interchange.   | 209,000 a<br>168,000 FAU      |
| 35. Install traffic signals and other related improvements on Fort Weaver Road at Highway 764 (Barbers Point Access Road).  | 26,000                        |
| 36. Plans and construction of a pedestrian overpass over Vineyard Boulevard in the vicinity of Palama Street, Oahu.   | 120,000                       |
| 37. Plans for lengthening of acceleration lane at intersection of Pali Highway and Laimi Street (to be expended by the Department of Transportation).   | 10,000                        |

38. Planning, acquisition and construction for widening of Fort Weaver Road, Oahu.	250,000 a
39. Intersection Improvement — Kalanianaole Highway at Maunawili Road — to supplement prior appropriation.	68,000 a
40. Roadway Improvements on Kamehameha Highway at Kahana Bay — to supplement prior appropriation.	55,000 FAP
41. Kahekili Highway — To supplement prior appropriations.	368,000 a
42. Ala Moana Bridge & Approaches — to supplement prior appropriation.	302,000 FAP
43. Emergency Truck Turnouts at Pali Highway and Likelike Highway — to supplement prior appropriation.	2,078,000
44. Interstate H-1 — on-ramp from Kapiolani Boulevard to Route H-1.	90,000
45. Kamehameha Highway — Resurfacing and improvement of Mauka lanes on Kamehameha Highway between Likelike Highway and Pali Highway.	125,000 x
46. Street Lights, Whitmore Blvd., from Dole Hay Plant to Whitmore Village — Plans and construction.	50,000 a
47. Highway Re-Alignment Studies and Planning Alternate Route to Service Windward Oahu — Kahaluu to Waimea Bay.	139,000 FAP
48. Installation of street lights along both sides of Farrington Highway from Jade Street to Keaau Beach Park and on Makai side of Farrington Highway fronting Waianae High School.	26,000 a
49. Kam Highway Improvement, Oahu — Plans and construction to widen Kam Highway to four lanes from Karsten Thot Bridge toward Weed Junction.	149,000 FAI
50. Second Entrance to Wahiawa Town, Oahu — Plans for a highway on the southeasterly side of Wahiawa town to provide a second entrance into the town.	300,000 a
51. Plans and construction for pedestrian ramp in vicinity of Kalani High School at Kalaniiki Street.	20,000
	50,000
	50,000
	50,000
	200,000
	140,000
	100,000

**Maui****Airports**

52. Molokai Airport, Molokai—Expansion of terminal facilities.	150,000 r
53. Lahaina Airport, Maui — Plans and land acquisition for the construction of new general aviation airport.	160,000 r
54. Kahului Airport, Kahului, Maui — Plans for airfield and terminal improvements. Construction of additions to cargo terminal, resurfacing of runways, and other improvements.	1,627,000 r
55. Kalaupapa Airport, Molokai—Extension of existing runway and other improvements.	190,000 r

**Harbors — Commercial**

56. Kahului Harbor Improvements, Kahului, Maui — Realignment of Pier 1 approach road to bypass container area, relocation of produce shed, and other improvements.	305,000 s
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**Harbors — Small Boat**

57. New Lahaina Boat Harbor, Lahaina, Maui — Plans for dredging channel, basin, and portion of berthing area; plans for breakwater, bulkhead, fill, catwalks, utilities, launching ramp, service facilities, and other improvements.	30,000
58. Small Boat Launching Ramp, Hana, Maui — Plans for small boat launching ramp and other improvements.	457,000 f

**Harbors — Small Boat**

59. Kaunakakai Small Boat Harbor, Kaunakakai, Molokai — Plans and construction of small boat harbor.	30,000
60. Rehabilitation of Dock Facility at Kalaupapa Landing, Molokai — to rehabilitate existing hoisting facility and other improvements. Unexpended balance of appropriation	1,000

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from Act 40, SLH 1968, Item C-40 may be used to supplement this appropriation.

### Highways

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|---|--------------------------|
| 61. Honoapiilani Highway — Honokowai to Honokahua Section, Maui — Incremental construction of two-lane highway from the end of Project S-0300(1) to vicinity of Honokahua Village.  | 414,000 a<br>348,000 FAP |
| 62. Hana Belt Road — Lower Paia Section, Maui — Construction of two-lane highway Mauka of existing county road beginning approximately one-half mile west of lower Paia and ending at beginning of Project F-036-1 (1) near Hookipa Park.   | 372,000 a<br>306,000 FAP |
| 63. Kahekili Highway and Honoapiilani Highway — Waihee to Honokahua Section, Maui — Incremental widening, reshaping, laying base course, and paving of existing dirt road, beginning at Waihee and continuing work presently underway at the Honokohau terminus, and repair damaged portions from Honokahua to Honokohau. | 200,000                  |
| 64. Maunaloa Road, Molokai — Benching and flattening slopes of deep cuts and other improvements.  | 80,000                   |
| 65. Kalaupapa Lookout Road, Molokai — To supplement prior appropriations.   | 122,000 a<br>100,000 FAS |
| 66. Kahului Airport — Maalaea Highway, Maui — To supplement prior appropriations.   | 160,000 a<br>436,000 FAS |

### Highways

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|---|----------------------|
| 67. Haleakala Highway — Airport Junction to Lower Kula Road Junction, Maui — Incremental widening, realigning, and reconstruction of existing road from the Kahului Airport Junction on Hana Highway to its junction with the Kula Highway at Pukalani. | 707,000              |
| 68. Kamehameha V Highway, Molokai — Incremental widening, realigning and paving of existing highway towards Halawa Valley.  | 125,000              |
| 69. New Kihei to Ulupalakua Highway, Maui — Incremental construction of 2-lane highway from Kihei to Ulupalakua. Funds from private and other governmental sources, if available, may be used to supplement this appropriation.                         | 750,000 a<br>179,000 |
| 70. Manele Road, Lanai — Incremental widening, realigning and paving of existing highway. Funds from private and other governmental sources, if available, may be used to supplement this appropriation.  | 50,000               |
| 71. Honoapiilani Highway, Maui — Construction of storm drainage improvements at Kauaula Stream Crossing, Lahaina.   | 85,000               |
| 72. Honoapiilani Highway, Maui — Repair dip in highway north of Pall tunnel. (Ukumehame)  | 60,000               |
| 73. Pohakuokaa and Waiale Bridges — Haleakala Road, Maui — Widening of two single-lane bridges to two-lane bridges.   | 80,000               |

### Hawaii

#### Airports

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|---|-----------------------------|
| 74. Keahole-Kona Airport, North Kona, Hawaii—Construction of maintenance area, maintenance buildings, fire and rescue equipment building, and other improvements. Supplemental funds for land acquisition and construction of runway, apron, and terminal building. | 1,800,000 f<br>12,500,000 r |
| 74a. General Lyman Field, Hilo, Hawaii — First stage construction of new overseas terminal, runway resurfacing and other airport improvements.  | 15,920,000 r                |

#### Harbors — Commercial

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| 75. Hilo Harbor Modification, Hilo, Hawaii — Surveys and | 19,000 f |
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studies to determine the feasibility of Hilo Harbor modification and formulation of possible solution to the surge problem.

- 75a. Kawaihae Harbor Improvements, Kawaihae, Hawaii — Modification of Kawaihae Harbor by widening the entrance channel, enlarging harbor basin, dredging portion of existing boat harbor to new wharf line, and other improvements.

1,918,000 f

**Harbors — Small Boat**

76. Honokahau Boat Harbor, Kona, Hawaii — Dredging of harbor basin and other improvements. 250,000
77. Kawaihae Boat Harbor, Hawaii — Plans for construction of new small boat ramps, including comfort facilities and showers. 60,000  
78,000 f
78. Laupahoehoe Launching Ramp, Hawaii — Construction for boat launching ramp and to supplement prior appropriation of \$34,000. 20,000
79. Pohoiki Bay, Hawaii — Improvements to Launching Ramp and development of Pohoiki Bay. 24,000

**Highways**

80. Olaa-Hilo Road — Inbound Lane, Hawaii — Reconstruction of existing old Volcano Road between Olaa Slaughter House Road and Makalika Street in Panaewa Forest Reserve. 234,000 a  
172,000 FAP
81. Kawaihae Road — Kawaihae toward Kamuela Race Track, Hawaii — Incremental construction of two-lane highway on a new alignment from a connection with Mamalahoa Highway in the vicinity of Kamuela Race Track to a connection with the proposed Kailua-Kawaihae Road at Kawaihae. 64,000 a  
52,000 FAP
82. Volcano Road — Glenwood Section, Hawaii — Widening and improving existing road. Funds previously appropriated for Volcano Road — 29 Mile Post to 26 Mile Post, may be used to supplement this appropriation. 1,000
83. Mahukona-Hawi Road — End of Project No. A-270-01-62 in Mahukona to beginning of Project No. S-203(2), Hawaii — Construction of two-lane highway from the end of Project No. A-270-01-62 to beginning of Project No. S-203(2). 504,000 a  
517,000 FAS
84. Kailua-Kawaihae Road, Hawaii — Incremental construction of two lane roadway, supplementing prior appropriations for Kailua-Kawaihae Road project. 791,000
85. Hawaii Belt Road, Hawaii — To realign and provide for an engineering study of Hawaii Belt Road, Section 19 H, North Hilo, Hawaii. 40,000
86. Honokaa — Waipio Mud Lane Road, Hawaii — To supplement Item C-116, Act 217, SLH 1967, for construction, including engineering and rights-of-way costs, of the additional sections of the two-lane high type pavement roadway from Haina Road intersection to Waipio Lookout; and to authorize a route feasibility study from Waipio Lookout to Hawaii Belt Road, vicinity of Mud Lane, and the expenditure of unexpended balances of prior authorizations and appropriations for previous sections of the Honokaa-Waipio Road project on the additional sections authorized herein. 750,000 a
87. Hawaii Belt Road, Hookena to Milolii, Hawaii — Safety improvements on road between Hookena and Milolii (widen the narrow and dangerous curves). 250,000 a
88. Hawaii Belt Road, Kau Section, Hawaii — Plans and construction of two-lane highway. 80,000
89. Shoulder Improvements, Hawaii — Project F-2(4) Olaa, Kurtistown, Mt. View and Volcano, Glenwood area for the pavement of shoulders and also provide addition and 70,000

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replacement of existing conventional lights to improved type.	
90. Pahoa-Pohoiki Road, end of Pahoa-Olaa Road to Pohoiki Junction, Hawaii — Construction to follow State and Federal secondary highway standards.	80,000
91. Kapoho-Maku Road, Coastal Road, Hawaii — Construction to follow State and Federal secondary highway standards.	90,000
92. Kalopa Road, Hawaii — Realign, widen, and improve existing road to Kalopa State Park.	100,000
93. Drainage — Mt. View, Kurtistown, Hawaii — Construction of channels and levees, diversion ditches and appurtenant drainage facilities.	50,000
94. Mauna Kea Summit Road — Hawaii — Plans and improvement, construction of Mauna Kea Summit Road using the existing road, and plans for the ski lift and related facilities.	100,000

### Kauai

#### Airports

95. Lihue Airport, Lihue, Kauai — Terminal additions, pavement resurfacing, and other improvements.	1,045,000 r
96. Joint study with the State and military for use of Barking Sands Airport.	10,000

#### Harbors — Commercial

97. Nawiliwili Harbor Improvements, Nawiliwili, Kauai — To supplement prior item C-23 in Act 217, SLH, 1967.	70,000 s
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#### Harbors — Small Boat

98. Port Allen Boat Harbor Improvements, Kauai — Plans for a marginal wharf along the existing breakwater, extension of roadway and utilities, and other improvements.	25,000
99. Hanalei Boat Harbor and other improvements, Kauai — Dredging channel at the mouth of Hanalei River.	25,000
100. Kikiaola Boat Harbor, Kauai — Fill, cribbing dredging, and construction of berthing area, bulkhead wall, mooring facilities.	30,000
101. Port Allen Small Boat Harbor, Kauai — Ice making plant at Port Allen. Plans, construction and equipment for an ice making plant and cold storage for commercial and sports fishermen.	75,000

#### Highways

102. Ahukini-Nawiliwili Cutoff, Kauai — Construction of two-lane highway, including landscaping, from Ahukini Road to Rice Street.	367,000 a 298,000 FAP
103. Kauai Belt Road — Wainiha to Lumahai, Kauai — Supplemental funds for construction of two-lane roadway, including one bridge, one box culvert and landscaping beginning at the intersection of Wainiha Power House Road and Kuhio Highway to Lumahai Bridge.	24,000 a 19,000 FAP
104. Kauai Belt Road — Hanalei to Kaliihiwai, Kauai — Construction of two-lane highway between Hanalei and Kaliihiwai.	16,000 a 14,000 FAP
105. Kauai Belt Road — Kapaa Town Section, Kauai — Construction of two-lane highway including landscaping, parking strips, curbing, and sidewalks from Waiakea Canal to Kawaihau Road.	168,000 a 75,000 FAP
106. Installation of highway lighting and walkways from Castaway Hotel to State Lydgate Resort Development.	50,000
107. Waimea Canyon Drive, Kauai — Rock sealing of pavement and installation of concrete crossing over the Kekaha Irrigation Ditch.	48,000

108. Kauai Belt Road — Haena to Waikoko, Kauai — Reconstruction of existing road.	115,000
109. Kauai Belt Road—Kaumakani to Pakala, Kauai — Widening pavement, including necessary base reconstruction work.	112,000
<b>Highways</b>	
110. Kauai Belt Road — Hanalei Town Section, Kauai — Construction of two-lane highway between Hanalei Bridge and Waioli Stream, including Waioli Stream Bridge.	29,000 a 23,000 FAP
111. Kauai Belt Road — Repair or reconstruct highway retaining wall at Kapaia, Kauai.	345,000
112. Kuamoo Road, Kauai — Resurface existing road from Polihu Park towards the University of Hawaii Agriculture Experiment Station.	350,000 a
113. Lawai-Kalaheo Scenic Road, Kauai — Plans and land acquisition for construction of two-lane highway, including landscaping and other improvements, from Spouting Horn towards Kukuiolono Park.	150,000 a
114. Supplement to previous appropriations for motor vehicle testing and recreational facilities.	50,000
115. Truck Climbing Lanes, Kauai — Plans for truck climbing lanes for Kauai Belt Road at Wahfawa Valley, Lawai Valley, Omao Valley and Halfway Bridge.	50,000

#### **D. DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT**

(To be expended by the Department of Planning and Economic Development)

##### **Statewide**

1. Comprehensive Development Planning, Statewide — Continuing investigation, research, updating and coordination of statewide development plans, community development programs, and planning projects to implement major recommendations of General Plan Revision Program and to assist County planning programs. May be matched or augmented by Federal funds as available.

##### **Oahu**

2. Foreign Trade Zone No. 9, Oahu — Replacement of deteriorated fuel line laterals and valves at Pier 39.

#### **E. UNIVERSITY OF HAWAII**

##### **Statewide**

1. Statewide University System Planning — Planning of a Statewide University System, including a study to determine the needs for additional campuses, impact studies, evaluation of sites and master planning.
2. Major CIP Planning, University of Hawaii, Statewide — Continuing studies, research and advance planning of major facilities and utilities preparatory to seeking State, Federal, and/or private funds on specific projects.
3. General Utilities, Roads, and Site Improvements, University of Hawaii, Statewide — Incremental plans and construction of utilities, roads, and site improvements on the Manoa and Hilo Campuses, Research Centers and other components to implement the Utilities Master Plans to improve the utility of various areas, and to provide for the construction of new facilities.
4. Minor CIP Projects, University of Hawaii, Statewide — Plans and construction of minor improvements, including the construction of new facilities as well as modifications to existing facilities, including renovations of the Leahi Hospital for an emergency unit.

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5.	Minor CIP Projects, Community College System, Statewide — Plans and construction for the incremental modernization of existing buildings and equipment for the Community Colleges, including carpeting for Leeward Community College library building.	100,000
6.	Community College System Planning — Including the location of new and relocation of existing campuses, and the development of their educational and physical plans.	120,000
<b>Manoa Campus</b>		
7.	Property Acquisition, PRI Area, Manoa Campus, Honolulu, Oahu — Acquisition of land and improvements in Manoa fronting on Dole Street and known as the Pineapple Research Institute, including appraisal and other related costs.	275,000
8.	Classroom Building No. 4, Manoa Campus, Honolulu, Oahu — Purchase of language Laboratory Equipment for Classroom Building No. 4.	110,000
9.	Plant Sciences Facilities, Manoa Campus, Honolulu, Oahu — Purchase of furniture and equipment for the Plant Sciences Facilities.	113,000
10.	Business Administration Facilities, Manoa Campus, Honolulu, Oahu — Completion of construction and purchase of furniture and equipment for the College of Business Administration Facilities.	710,000
11.	Biomedical Sciences Facilities, Manoa Campus, Honolulu, Oahu — Purchase of furniture and equipment for the Biomedical Sciences Facilities.	565,000
12.	Chemistry Facilities, Manoa Campus, Honolulu, Oahu — Purchase of furniture and equipment for the new Chemistry Facilities.	252,000
13.	Student Dormitories, Manoa Campus, Honolulu, Oahu — Construction of dormitories with dining and kitchen facilities and the purchase of furniture and equipment.	8,000,000 r
14.	Engineering Facilities, Manoa Campus, Honolulu, Oahu — Construction of the new Engineering Facilities.	2,256,000
15.	Physical Sciences Facilities, Manoa Campus, Honolulu, Oahu — Construction of Physical Sciences Facilities to include offices, classrooms, research laboratories, and specialized rooms.	684,000
16.	Art and Architecture Facilities, Manoa Campus, Honolulu, Oahu — Construction of Art and Architecture Facilities to include general instructional and research areas, faculty offices, and related supporting facilities.	1,998,000
17.	Music Facilities, Manoa Campus, Honolulu, Oahu — Plans for additional Music Facilities.	26,000
18.	General Instructional & Related Facilities (Phase I), Manoa Campus, Honolulu, Oahu — Construction of a multi-story structure to provide general offices and classrooms, and the purchase of furniture and equipment.	1,375,000 450,000 f
19.	Portable Office and Classroom Buildings, Manoa Campus, Honolulu, Oahu — Plans and construction of single-story portable facilities to provide interim classrooms, laboratories, and offices.	550,000
20.	Greenhouse Facilities, Manoa Campus, Honolulu, Oahu — Plans and construction of additional greenhouses and the purchase of equipment.	192,000
21.	Relocation of Agricultural Engineering Facilities to Mauka Campus, Manoa Campus, Honolulu, Oahu — Plans and construction of farm machinery-irrigation laboratory on Mauka-Manoa Campus, and the purchase of equipment.	150,000
22.	Animal Care and Research Facilities, Manoa Campus, Honolulu, Oahu — Plans for animal care and research facilities to house animals for several departments of the University.	25,000

23. Improvements to Physical Education Facilities, Manoa Campus, Honolulu, Oahu — Incremental planning and construction of improvements to the Makai Campus for the Physical Education Program.	150,000
24. Land Acquisition — Addition to Mauka-Manoa Campus, Manoa Campus, Honolulu, Oahu — Acquisition of land in Manoa Valley as an addition to the Mauka-Manoa Campus, including appraisal and other related costs.	85,000
25. General Instructional & Related Facilities (Phase II), Manoa Campus, Honolulu, Oahu — Preliminary plans for multi-story structure to provide general offices and classrooms.	62,000
26. Graduate Research Library, Phase II, Manoa Campus, Honolulu, Oahu — Preliminary plans for a core stack building.	216,000
27. Modernization of Bilger Hall, Manoa Campus, Honolulu, Oahu — Preliminary plans for the renovation of Bilger Hall.	42,000
28. Modernization of Snyder Hall, Manoa Campus, Honolulu, Oahu — Preliminary plans for the renovation of Snyder Hall.	14,000
29. University of Hawaii, Manoa (Mauka Campus) External Circulation Plan and Improvements.	100,000
30. Portable Classroom, Pearl City — Portable classroom for College of Tropical Agriculture to be located in Pearl City, Oahu.	25,000
31. Educational Television — Television Translator Station, Waianae — Plans and construction of television translator station for Waianae Coast.	50,000

**Honolulu Community College**

32. General Instructional Areas, Including Cosmetology and Apparel Trades, Honolulu Community College, Honolulu, Oahu — Construction of classrooms, laboratories, and offices to house the Cosmetology, Apparel Trades and other general instructional programs; and the purchase of furniture and equipment. (Previous appropriations under Items B-4-b, Act 201, SLH 1963, and I-A-44, Act 38, SLH 1966, shall be combined for this project.)	394,000
33. Library-Classroom Building, Campus Center-Cafeteria, Honolulu Community College, Honolulu, Oahu — Plans for a library and classroom building, to include language laboratories, forums, audiovisual centers, an auditorium, campus center and cafeteria.	320,000
34. Modernization of existing structures, Honolulu Community College, Oahu — Modernization to include alteration and/or refurbishing of existing and acquired buildings; and the design, construction and equipping of additions to existing buildings to provide replacement space.	885,000
35. Relocatable Units, Honolulu Community College, Honolulu, Oahu — Design and construction of relocatable units and the purchase of furniture and equipment.	92,000
36. Land Acquisition, Honolulu Community College, Honolulu, Oahu — Study, appraisal, and purchase of adjoining lands for the expansion of the Honolulu Community College.	340,000
37. Site Development, Honolulu Community College, Oahu — Incremental development and landscaping of the campus, including the development of electrical distribution systems.	200,000

**Kapiolani Community College**

38. Relocatable Administration and Classroom Buildings, Kapiolani Community College, Honolulu, Oahu — Plans and construction of relocatable administrative, faculty, and classroom facilities; purchase of furniture and equipment; and relocation of a PABX unit.	75,000
39. New Campus Plan, Kapiolani Community College, Honolulu, Oahu — Preparation of a new campus plan for the	75,000

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Kapiolani Community College, including either a site expansion or site selection study.

40. Various Campus Improvements, Kapiolani Community College, Honolulu, Oahu — Planning and construction of various campus improvements including but not limited to; the remodeling of the existing Practical Nursing Building; and the MDTA Fry Cook Building; the construction of a portable building complex for student government and activities; and air conditioning of existing structures. 175,000

### Leeward Community College

41. Business Education and Social Sciences Building "G;" Leeward Community College, Oahu — Construction of general classrooms, laboratories, and related facilities to house the Business Education and Social Sciences Programs, and the purchase of furniture and equipment. 754,000  
228,000 f
42. Site Development, Leeward Community College, Oahu — Incremental site development consisting of grading and compaction; installation of utilities including storm drains and sewer lines; construction of roads, walks, parking lots and miscellaneous improvements; and landscaping. 500,000
43. Fine Arts Building "F-1," Leeward Community College, Oahu — Construction of general classrooms, laboratories and related facilities for the Fine Arts programs; and the purchase of furniture and equipment. 640,000
44. Campus Student Center — Cafeteria-Bookstore Complex, Leeward Community College, Oahu — Construction of a student center-Cafeteria-Bookstore consisting of a bookstore, food facilities, and student activities space. 1,000,000
45. Language Arts Building, Leeward Community College, Oahu — Plans, construction and equipping of general classrooms, laboratories and related facilities for the Language Art program, including furniture and equipment. 1,185,000
46. Classroom Facilities, including Auditorium — Theatre and Physical Education Facilities, Leeward Community College, Oahu — Plans. 225,000
47. Off-site Development, Leeward Community College, Oahu — Plans and construction of improvements adjacent to the campus. 500,000

### Maui

#### Maui Community College

48. Land Acquisition, Maui Community College. 500,000
49. Library, Maui Community College, Maui—Purchase of furniture and equipment for the library building. 120,000
50. Physical Education Facilities, Maui Community College, Maui — Incremental construction of physical education facilities consisting of buildings with lockers, showers, equipment storage and faculty offices; and the purchase of furniture and equipment. 206,000
51. Campus Center, Maui Community College, Maui — Plans, construction and equipment for the Campus Center which is to include but not be limited to facilities for student activities, bookstore and food services. 1,545,000
52. Site development, Maui Community College, Maui — Incremental site development and landscaping. Includes plans and construction. 289,000
53. Theatre, Maui Community College, Maui — Plans for a theatre with an estimated seating capacity of 850. 150,000

### Hawaii

#### Research Centers & Other Components

54. Mauna Kea Observatory Development, University of Hawaii, Mauna Kea, Hawaii — Purchase of furniture and 47,000

equipment for the Mauna Kea Observatory. \$1,000,000 in State funds supplanted by Federal funds on this project may be utilized for the Astronomy Facilities project, Manoa Campus, Honolulu, Oahu, authorized under Item E-9, Act 217, SLH 1967.

- 55. Cloud Physics Observatory Addition, Hilo Campus, Hilo, Hawaii — Plans for additions to the Cloud Physics Observatory. 17,000
- 56. Cooperative Extension Service Office Building, University of Hawaii, Hilo, Hawaii — Construction of a structure to house offices, meeting rooms, and demonstration rooms; and the purchase of furniture and equipment. 80,000

#### **Hilo Campus**

- 57. Cafeteria, Hilo Campus, Hilo, Hawaii — Purchase of furniture and equipment for the new Cafeteria facilities. 29,000
- 58. Student Union, Hilo Campus, Hilo, Hawaii — Purchase of furniture and equipment for the Student Union facilities. 31,000
- 59. Classroom Building No. 3, Hilo Campus, Hilo, Hawaii — Preliminary plans for a new classroom building to include offices, language laboratory, audio-visual room and instructional areas for social sciences and humanities. 28,000
- 60. Administration-Classroom Building, Hilo Campus, Hilo, Hawaii — Construction of physical facility for general administration, admissions, counseling, business office and records; and classrooms. 370,000
- 61. Student Dormitory, Hilo Campus, Hilo, Hawaii — Construction and furnishings to complete men's wing of the student dormitory to accommodate 32 students (to supplement prior appropriations.) 250,000
- 62. Auditorium-Theater, Student Center, Cafeteria, Administration Building, Hilo Campus, Hilo, Hawaii — Site preparation and utilities services. 250,000

#### **Hawaii Technical School**

- 63. Furniture and equipment for hotel-restaurant and dormitory building. Site development, construction, and equipment for related shop building. Roadway and covered roof for walkway-hotel-restaurant-dormitory construction. Replacement of existing transformers, construction and roadway. Update master plan. 914,000

#### **Kauai**

##### **Kauai Community College**

- 64. Relocatable Units, Kauai Community College, Kauai — Plans and construction of relocatable units to provide library, science storage, and classroom facilities; purchase of furniture and equipment. 116,000
- 65. Kauai Community College, Kauai — Supplemental Appropriation for College Development. 1,000,000
- 66. Development of a Taro Planting Machine — including research and construction. (To be expended by the Director of the University of Hawaii Wailua Experiment Station, Kauai.) 40,000
- 67. University of Hawaii Experiment Station, Kauai, Dormitory — To complete construction and purchase of furniture and equipment. 30,000

#### **F. DEPARTMENT OF EDUCATION**

##### **Statewide Schools**

- 1. Lump Sum Capital Improvement Funds, Department of Education, Statewide — Land acquisition, minor capital improvement, master plans, construction and relocation of portables, minor drainage, grounds, roadways and utilities, improvements and elimination of architectural barriers. 2,003,000

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2. Project adjustment fund for prior authorizations given to Department of Education projects. 3,250,000

### Schools

#### Oahu

3. Red Hill Elementary School, Oahu — Plans and construction of additional classrooms, library and administration building.	670,000
4. Salt Lake Elementary School, Oahu — Plans and construction of additional classrooms.	365,000
5. Hahaione Elementary School, Honolulu, Oahu — Plans and construction of classroom building.	340,000
6. Pohukaina School, Honolulu, Oahu — Plans and construction of a school for the handicapped to be built in a centrally located area. (To supplement prior appropriations.)	500,000
7. Pearl City Highlands Elementary School, Oahu — Plans and construction of second access into school grounds from Hoolehua Street and installation of underground sprinkler.	90,000
8. Hawaii Kai High and Intermediate School, Oahu — Additional planning and construction, funds for new intermediate and high school.	200,000
9. Kamiloiki Elementary School, Honolulu, Oahu — Master plan and plans for the 1st increment of a new elementary school.	110,000
10. Waipahu High School (New Campus), Oahu — Plans and construction of metal shop and drawing classrooms, auto and electric shop, and fencing; and supplemental appropriation to complete athletic field.	984,000
11. New Ahuimanu Elementary School, Oahu — Plans and construction of 1st increment — classrooms, administration-library building, kitchen-multi-purpose dining room.	955,000
12. Kawanakanakoa Intermediate School, Oahu — Construction of administration-library and classroom buildings.	987,000
13. Waipahu V Elementary School, Oahu — Land acquisition and master plan for 5th elementary school.	345,000
14. Hoeia Elementary School, Oahu — Plans and construction of additional classrooms and multi-purpose dining room.	553,000
15. Castle High School, Oahu — Master plan of school facilities to meet curriculum needs of the school. Improvements to athletic field facilities.	136,000
16. Mikilua Elementary School, Oahu — Plans for a new elementary school.	85,000
17. Blanche Pope Elementary School, Oahu — Plans for additional classrooms and library-administration building.	52,000
18. Kipapa Elementary School, Oahu — Construction of classroom replacements plans and construction of administration building and multi-purpose dining room.	240,000
19. Waipio Elementary School, Oahu — Plans and construction of classrooms for new elementary school.	364,000
20. Kailua Elementary School, Oahu — Plans for classrooms.	48,000
21. Kauluwela Elementary School, Honolulu, Oahu — Plans and construction of classrooms.	352,000
22. Kauluwela Elementary School, Honolulu, Oahu — Supplementary appropriation for plans and construction of administration-library.	263,000
23. Jefferson Elementary School, Honolulu, Oahu — Construction of kitchen-multi-purpose dining room and plans for administration-library.	285,000
24. Moanalua Elementary School, Oahu — Plans and construction of additional classrooms.	364,000
25. Moanalua Intermediate School, Oahu — Plans and construction of classroom and administration building.	469,000
26. Second New Elementary School, Kalauao, Oahu — Acquisition of land for the proposed elementary school in the new development adjoining the Francis Brown Golf Course.	269,000

27.	Windward District Schools, Oahu -- To supplement prior appropriations for Kailua Elementary, Kailua High School, Aikahi Elementary; Plans for classrooms at Aikahi; master plans for a new intermediate school and land acquisition for Keolu Extension Elementary. (Balances from Item C-8, Act 195, SLH 65, also to be used for this purpose.)	650,000
28.	Ewa Beach III Elementary School, Oahu — Master plan and site selection for 3rd elementary school.	25,000
29.	Honowai Elementary School, Oahu — Plans and construction of additional classrooms.	252,000
30.	Wheeler Elementary School, Oahu — Construction of classrooms.	338,000
31.	Mililani High and Intermediate School, Oahu — Acquisition of land and plans for the proposed high school in the Mililani Development.	1,000,000
32.	Aiea High School, Oahu — Construction of classrooms.	405,000
33.	Waimanalo Elementary School, Oahu — Plans and construction of additional classrooms and site improvement. Plans for library-administration and music buildings.	442,000
34.	Manana Elementary School, Oahu — Plans and construction of additional classrooms.	348,000
35.	Nanakuli High and Intermediate School, Oahu — Supplemental funds for construction of first increment.	820,000
36.	Maili Elementary School, Oahu — Plans and construction of administration-library building.	276,000
37.	Waiau Elementary School, Oahu — Plans for second increment of a new elementary school.	29,000
38.	Waimano-Pearl City Complex (Waimano-Pearl City Elementary School and Pearl City High School), Oahu — Plans for additional facilities and to supplement prior appropriations. Unexpended balances from Item F-36, Act 217, SLH 1967 to be used for this project.	1,200,000
39.	Parker Elementary School, Oahu — To supplement prior appropriations to construct classrooms destroyed by fire.	470,000
40.	Kaaawa Elementary School, Oahu — Master plan for the relocation of Kaaawa Elementary School.	10,000
41.	Ewa Beach Intermediate School and Campbell High School, Oahu — Plans for additional facilities and grounds improvement.	99,000
42.	Liholiho Elementary School, Oahu — Plans and construction of classroom buildings, play areas, and demolition of old buildings.	816,000
43.	Waialua High and Intermediate School, Oahu — Plans and construction of classrooms replacement.	364,000
44.	Sunset Beach Elementary School, Oahu — Plans for new school — classrooms, art and science classrooms, administration/library, kitchen, and multi-purpose cafeteria.	53,000
45.	Kaimuki Intermediate School, Oahu — Construction of new library and conversion of existing library to classrooms; plan classroom building.	379,000
46.	Fern Elementary School, Oahu — Plans and construction of classrooms replacement and parking area.	364,000
47.	Alva Scott Elementary School, Oahu — Plans and construction of library extension.	60,000
48.	Waianae Intermediate School, Oahu — Plans of additional classrooms and grounds improvement.	42,000
49.	Enchanted Lake Elementary School, Oahu — Plans and Construction of additional classrooms.	438,000
50.	Aliiolani Elementary School, Oahu — Construction of administration/library building, conversion of present office to classrooms.	229,000
51.	Kapalama Elementary School, Oahu — Supplement prior appropriations for classrooms and construction of administration/library replacement.	366,000

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52.	Waimalu Elementary School, Oahu — Planning and construction of multi-purpose dining room.	116,000
53.	Waianae High School, Oahu — Planning for additional classrooms. Planning and construction of bleachers and renovation and enlargement of dining room.	117,000
54.	Laié Elementary School, Oahu — Construction of kitchen-multi-purpose dining room, additional classrooms, and paved court.	412,000
55.	Kahala Elementary School, Oahu — Plans for administration building, renovation of classroom now used for office and enlargement of library.	17,000
56.	Noelani Elementary School, Oahu — Planning and construction of paved playcourts.	10,000
57.	Roosevelt High School, Oahu — Planning for construction of covered study areas and increase seating capacity of stadium.	27,000
58.	Manoa Intermediate School, Oahu — Master plan and plans for a new intermediate school.	150,000
59.	Diamond Head School, Oahu — Plans for a new library.	9,000
60.	Waipahu Intermediate School (old Waipahu High School Campus), Oahu — Plans for classroom replacements, demolition of old wooden buildings and grounds improvements.	100,000
61.	Waipahu Elementary School, Oahu — Planning and construction of covered walkways.	50,000
62.	Waialae Elementary School, Oahu — Plans and construction of classroom building, additional parking stalls and library expansion.	156,000
63.	Anuenue Elementary School, Oahu — Plans and construction for covered walkway between cafeteria and classroom building.	18,000
64.	Blanche Pope Elementary School, Oahu — Planning and construction of covered walkway.	20,000
65.	Radford High School, Oahu — Plans and installation of air conditioners.	25,000
66.	Waianae High School, Oahu — Plans for auditorium.	50,000
67.	Waianae High School, Oahu — Plans and construction of student parking.	75,000
68.	Waipahu High School, Oahu — Plans, acquisition, and construction of student center.	200,000
69.	Waianae High School, Oahu — Construction of a chain-link fence enclosure for student parking.	20,000
70.	Waipahu High School, Oahu — Plans for auditorium.	75,000
71.	Dole Intermediate School, Honolulu, Oahu — Footpath from underpass near Dole Intermediate School to Kalihi Street, Mauka side of Likelike Highway.	20,000
72.	Kalihi-Kai School, Honolulu, Oahu — Plans and construction of cafeteria.	250,000
73.	Linapuni School — Covered walkway between two classroom buildings.	20,000
74.	Moanalua Intermediate School, Oahu — Air conditioning of classrooms.	60,000
75.	Radford High School, Oahu — Plans and construction of library enlargement, bleachers, sidewalks, and office enlargement.	182,000
76.	Radford High School, Oahu — Plans and construction of comfort station, ticket booth, athletic field, and varsity lockers.	30,000
77.	Aliamanu Intermediate School, Oahu — Plans and construction for extension of students' sidewalk from Buildings A, B, to C, and outdoor stage.	10,000
78.	Aliamanu Intermediate School, Oahu — Construction of roof over physical education Quadrangle and installation of movable partitions.	110,000

79.	Aliamanu Elementary School, Oahu — a. Enlarge and renovate library. b. Storage space for supplies.	27,000 18,000
80.	Farrington High School, Honolulu, Oahu — Plans for additional classrooms and ventilation for the boys and girls physical education lavatories.	40,000
81.	Kalihi Elementary School, Honolulu, Oahu — Installation of iron gates in hallways to Buildings A and B. Five (5) gates each.	20,000
82.	Installation of night lights to Buildings and controlling switch to night lights in custodian's cottage.	5,000
83.	Kalihi-Kai School, Honolulu, Oahu — Plans for additional classrooms.	25,000
84.	Linapuni School, Honolulu, Oahu — Installation of air vent hood on cafeteria kitchen roof.	5,000
85.	Farrington High School, Honolulu, Oahu — a. Soundproofing of classrooms. b. Additions to athletic field complex.	120,000 250,000
86.	Likelike Elementary School, Honolulu, Oahu — Plans on construction of second floor walkway connecting Buildings B and C and connecting Building B and Library, covering for walkway between Building C and Administration Building and covering for walkway between Building A and Cafetorium.	38,000
87.	Maemae Elementary School, Honolulu, Oahu — a. Building K-5 classroom (move walls out to increase classroom). Playground improvement — b. Replace basketball court and building of a retaining wall and fence along classroom and stream.	50,000 25,000
88.	Kapalama Elementary School, Honolulu, Oahu — Install covered walkways.	30,000
89.	Kalakaua Intermediate School, Honolulu, Oahu — Plans for additional classrooms.	35,000
90.	Lanakila Elementary School, Honolulu, Oahu — New access road from Kuakini Street, and provision for pedestrian traffic and additional paved parking, new office building and library building, installation of toilet facilities in present building, relocation of rubbish areas, improvements to grounds and installation of culverts for drainage, installation of roofing over cafeteria utility area, installation of a sprinkler system for school grounds, replacement of sliding doors in cafeteria, placement of a wire fence around the custodian's cottage and along the boundary of residence on Alaneo Street.	315,000
91.	Royal School, Honolulu, Oahu — Air - conditioning and sound-proofing of building "F."	98,000
92.	McKinley High School, Honolulu, Oahu — New seats for auditorium.	35,000
93.	Nuuanu Elementary School, Honolulu, Oahu — Plans and construction to install movable wall in cafetorium.	10,000
94.	Pauoa School, Honolulu, Oahu — Addition to present library.	34,000
95.	Central Intermediate School, Honolulu, Oahu — Completion of renovation of kitchen and soundproofing and air-conditioning music building.	90,000
96.	Kaahumanu School, Oahu — Planning of a 12-classroom building.	31,000
97.	Pohukaina School, Honolulu, Oahu — Plans and construction of two covered loading areas for orthopedically handicapped children at Pohukaina School.	8,000
98.	McKinley High School, Honolulu, Oahu — Renovation of math building.	60,000
99.	Nuuanu Elementary School, Honolulu, Oahu — Conversion of existing classroom into office at Nuuanu Elementary School.	10,000

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100.	Pauoa School, Honolulu, Oahu — Plans and construction of covered walkway from Building "C" to the cafeteria.	20,000
101.	Stevenson Intermediate School, Honolulu, Oahu — Fencing along Auwaiolimu Street and grounds improvements.	20,000
102.	Roosevelt High School, Honolulu, Oahu — Renovation of classrooms (109, 125, 224, 304 and 7.)	50,000
103.	Central Intermediate School, Oahu — Enclosing cafeteria dining areas with wooden jalousies.	15,000
104.	Roosevelt High School, Honolulu, Oahu — Acoustic ceiling for cafeteria.	5,000
105.	McKinley High School, Honolulu, Oahu — Installation of fluorescent lights in the English Building.	15,000
106.	Nuuanu Elementary School, Honolulu, Oahu — Construction of storage area.	15,000
107.	Nuuanu Elementary School, Honolulu, Oahu — Conversion of kitchen drying area into storeroom at Nuuanu Elementary School.	15,000
108.	Lunalilo Elementary School, Honolulu, Oahu — To supplement funds authorized by Item I-B-110-38, SLH 1966 — Administration-Library Building, Additional Classrooms and Site Improvements.	300,000
109.	Kuhio Elementary School, Honolulu, Oahu — Plans and construction of Administration-Library replacement.	241,000
110.	Stevenson Intermediate School, Honolulu, Oahu — Minor CIP and renovation to existing facilities, cafeteria, rat proofing.	82,000
111.	Roosevelt High School, Honolulu, Oahu — Master plan for campus redevelopment.	25,000
112.	Washington Intermediate School, Honolulu, Oahu — Renovation of kitchen.	50,000
113.	Manoa Elementary School, Honolulu, Oahu — Renovate and expand existing facilities.	164,000
114.	Kaimuki High School, Honolulu, Oahu — Plans and construction of additional 10-classroom building and plans for administration building and media center.	174,000
115.	Noelani Elementary School, Honolulu, Oahu — Plans and construction of administration building.	125,000
116.	Hokulani Elementary School, Oahu — Completion of kitchen.	60,000
117.	Noelani Elementary School, Oahu — Construct wind and rain shelter.	5,000
118.	Kaimuki High School, Honolulu, Oahu — Plans and installation of fencing.	4,000
119.	Kuhio Elementary School, Honolulu, Oahu — Plans for classroom replacement.	75,000
120.	Hokulani Elementary School, Oahu — Plans for a music building.	10,000
121.	Stevenson Intermediate School, Honolulu, Oahu — For the special motivations classes (2 required for 1969-70):	100,000
a.	Wet carrels for individual study with taped materials, earphones, etc.	
b.	Bus which can be used by entire school for field trips but specifically to transport SMP students and to transport students for competitive athletic events on a home-to-home basis.	
c.	Two portable classrooms.	
122.	Manoa Elementary School, Honolulu, Oahu — Covered walkway (school to gymnasium.)	15,000
123.	Jefferson Elementary School, Honolulu, Oahu — Plans for classroom replacement.	26,000
124.	Washington Intermediate School, Honolulu, Oahu — Modification of classrooms into language laboratory.	15,000
125.	Roosevelt High School, Honolulu, Oahu — Plans and construction of drainage system — upper campus.	28,000

126.	Roosevelt High School, Honolulu, Oahu — Music room conversion; extension of band room, air-conditioning and sound proofing.	50,000
127.	Roosevelt High School, Honolulu, Oahu — Renovate PE and ROTC classrooms.	15,000
128.	Jarrett Intermediate School, Honolulu, Oahu — Plans and construction of a science and art classroom building, for the renovation of existing classrooms to be used for language arts, for the renovation of the existing band room, and for the renovation of the existing library to provide for an instructional material center.	300,000
129.	Jarrett Intermediate School, Honolulu, Oahu — Supplement prior appropriation to prevent erosion of stream bank along physical education building.	100,000
130.	Waimano-Pearl City Complex (Elem. School), Oahu — Plans for additional classrooms.	30,000
131.	Nanakuli High and Intermediate, Oahu — Plans for additional classrooms.	20,000
132.	Kaimuki High, Honolulu, Oahu — Supplement prior funds to plan a small stadium.	48,000
133.	Wilson Elementary, Oahu — Supplemental funds for construction of additional classrooms, multi-purpose building, and improvement of parking area.	370,000
134.	Waimalu Complex, Oahu — Plans for the proposed Waimalu School complex. Land acquisition and planning funds authorized by Item F-42, Act 217/67 Waimalu Intermediate School to be used for this project.	10,000
135.	Pearl City Kai Elementary, Oahu — Plans for construction of classroom building and parking lot extension and improvement.	30,000
136.	Iroquois Point Elementary, Oahu — Plans for classroom building, listening and learning center, teachers' lounge-workroom, custodian storeroom and paved play court.	31,000
137.	Kahuku High and Elementary, Oahu — Supplemental funds for music building, replacement of bleachers for 3,000 people. Plans for replacement of classrooms.	274,000
138.	Waiahole Elementary, Oahu — Replacement of primary classrooms and plans for library/administration building.	180,000
139.	Castle High School Library, Oahu — Supplementary funds for construction of a new library, renovation of the existing library into classrooms and counselor's offices, and internal installation of fire alarm systems. (To supplement item I-B-70, Act 38, SLH 1966 and item F-59, Act 40, SLH 1968.)	120,000
140.	Kalihi Elementary School, Honolulu, Oahu — Acquisition of land for additional playground area, additional paving for the parking area, relocation of the chain link fence to the school property line and replace curtains for cafeteria.	122,000
141.	Waialua Elementary School, Oahu — Plans and construction of multi-purpose dining room.	97,000
142.	Kipapa Elementary School, Oahu — Plans and construction of six operable walls between classrooms.	32,000
143.	Waianae High School, Oahu — Construction of athletic field bleachers, multi-locker room complex, rest rooms, and ticket booth and curbing and resurfacing of track.	175,000
144.	Ewa School, Oahu — Demolish old classrooms and for site improvement.	50,000
145.	Gus Webling School, Oahu — Plans and construction of administration building.	100,000
146.	Waipahu High School, Oahu — Plans for 2000-seat gymnasium at Waipahu High School.	50,000
147.	Iliahi Elementary, Oahu — Plans and construction for administration building and multi-purpose dining room.	182,000
148.	August Ahrens (Waipahu IV) Elementary, Oahu — Plans of replacement of administration/library building, kitchen,	10,000

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multi-purpose dining room building, classrooms, demolition and site work. (Funds in item F-30, Act 217, SLH 1967, and Item F-73, Act 40, SLH 1968, to be used for this project.)	
149. Pohakea Elementary, Oahu — Plans for a resource center building.	10,000
150. Ewa Elementary, Oahu — Plans for kitchen-multi-purpose building, classrooms and demolition and site work.	46,000
151. Kailua Intermediate, Oahu — Plans for installation of science periphery tables into classrooms, master planning for library and expand administration facilities.	10,000
152. Kaewai Elementary, Oahu — Plans and construction of renovations to and expansion of library.	66,000
153. Ala Wai Elementary, Oahu — Plans and construction to enlarge library.	79,000
154. Haleiwa Elementary, Oahu — Plans and construction of administration and library buildings and kitchen renovation.	319,000
155. Ewa Beach Elementary, Oahu — Plans for administration/library building, converting present office to classroom and school sign.	16,000
156. Palisades Elementary, Oahu — Plans and construction to improve parking area and provide for loading area.	11,000
157. Kailua High, Oahu — Plans for a new athletic field.	5,000
158. Waikiki Elementary, Oahu — Construction and equipment of multi-purpose dining room.	170,000
159. Pearl Harbor Kai Elementary, Oahu — Plans and construction of covered walkway to extend to new building.	11,000
160. Nimitz Elementary, Oahu — Plans and construction of bicycle parking racks.	2,000
161. Nanaikapono Elementary, Oahu — Plans for renovations and demolition for conversion of facility to an elementary school.	17,000
162. Hauula Elementary, Oahu — Plans for library/administration building.	30,000
163. Farrington High, Honolulu, Oahu — Plans and construction of solvent and oil storage shed.	4,000
164. Aikahi Elementary School, Oahu — Construction of multi-purpose cafeteria.	190,000
165. Liliuokalani Elementary School, Oahu — Plans and construction of classrooms for special education program.	78,000
166. Puuhale Elementary School, Oahu — Plans and construction of 12 classroom buildings including sound control to replace existing classrooms.	404,000
167. Stevenson Intermediate School, Oahu — Plans and construction to soundproof and air-condition existing music building. Plans and construction of operable wall in cafeteria.	61,000
168. Lanikai Elementary School, Oahu — Plans and construction of paved playcourt.	20,000
169. Maermae Elementary School, Oahu — Relocation of two generators and grading of area.	30,000
170. Kalihi-Uka Elementary School, Oahu — Removal of all portables except one, enclose area in Building C, third floor (to be used as a play area), acquisition of land for expansion of school.	100,000
171. Linapuni Elementary School, Oahu — Acquisition of land from Hawaii Housing Authority to permit construction of an administration-resource-community center building, plans and construction of administration-resource-community center building, installation of dumb waiters in existing classroom buildings.	100,000
172. Wailupe Valley Elementary School, Oahu — Plans for multi-purpose building.	50,000
173. Niu Valley Intermediate School, Oahu — Supplement prior appropriation for 2 science classrooms.	20,000

**Public Libraries****Oahu**

174. Centralized Processing Center, Oahu — Plans for construction of a building to house the central book processing center, to store films and other library and audio visual materials, and to provide office space for expanding staff.	50,000
175. New State Library Building, Oahu — Plans for construction of a building to house the Hawaii State Library, key administrative offices, school library and media service offices, and parking area.	75,000 25,000 f
176. Hawaii Kai Library, Oahu — Plans for construction of a new, single story, steel and concrete building of 10,000 square feet, including air-conditioning. To supplement prior appropriations.	30,000
177. Waialua Library, Oahu — Construction of 900 square feet meeting room, remodeling portions of existing facilities and installation of temperature and humidity control equipment.	90,000
178. Wahiawa Library, Oahu — Installation of temperature and humidity control equipment.	51,000
179. Kalihi-Palama Community Library, Oahu — To construct 900 square feet meeting room, install temperature, humidity control equipment, and other renovations to make facility more functional.	156,000
180. Library and Multi-purpose Community Center, Whitmore Village, Wahiawa, Oahu — Plans.	150,000
181. Ewa Beach Community School Library, Oahu — Plans, construction and equipping of a community school library in Ewa Beach.	1,090,000

**Maui****Schools**

182. New Maui High and Intermediate School, Maui — Supplemental construction funds for first increment.	524,000
183. New Hana High and Elementary School, Maui — Land acquisition.	100,000
184. Kaunakakai Elementary School, Molokai — Construction of an administration-library building.	256,000
185. Lanai High and Elementary School, Lanai — Plans and construction of gymnasium for multi-purpose use.	350,000
186. Iao Elementary School, Maui — Construction and equipment of administration-library building.	256,000
187. Lahainaluna High School, Maui — Planning and construction of an administration and classroom building.	480,000
188. Waiehu Elementary School, Maui — Acquisition and construction of athletic field, including grading, sprinkler system, grassing, and necessary buildings.	266,000
189. Molokai Intermediate and High School, Molokai — Planning and construction of Administration building and library, and to supplement prior appropriation for the gymnasium.	901,000
190. New Lahaina Elementary School, Maui — Plans and construction for a new elementary school.	30,000
191. Kahului School, Maui — Purchase of communication system.	5,000
192. Baldwin High School, Maui — Purchase of communication system.	9,000
193. Baldwin High School, Maui — Plans and construction of Industrial Arts Classroom.	395,000
194. Haiku Elementary School, Maui — Plans and construction of classroom buildings.	160,000
195. New Maunaloa Elementary School, Molokai — Plans for new elementary school.	50,000
196. New Kilchana Elementary School, Molokai — Plans for new elementary school.	50,000
197. Kamehameha III School, Lahaina, Maui — Construction of portable classrooms.	72,000

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### Public Libraries

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|--|---------|
| 198. New Lahaina Branch Library Building, Maui — Land acquisition for new branch library building. | 120,000 |
| 199. Kahului Library, Maui — Install temperature and humidity control equipment in this facility.  | 74,000  |

### Schools

#### Hawaii

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|---|---------|
| 200. Kealakehe Elementary School, Hawaii — Construction of administration building; plans and construction of classroom building and playground; and complete driveway and parking area. (Construction of frontage road.) Equipment and appurtenances.  | 765,000 |
| 201. Waimea Elementary and Intermediate School, Hawaii — Plans and construction of classroom building. Plans for administration building.   | 465,000 |
| 202. Hilo Intermediate School, Hawaii — Plans, construction, and equipment for classrooms, including science classrooms and to supplement prior appropriation for cafeteria.  | 906,000 |
| 203. Kalanianaole Elementary and Intermediate School, Hawaii — Planning and construction of band and art building and equipment. Land acquisition.  | 314,000 |
| 204. Waiakeawaena Elementary School, Hawaii — Construction of classrooms and supplement to prior appropriation.   | 180,000 |
| 205. Waiakea Elementary School, Hawaii — Provide ventilation and acoustical flooring in existing classrooms.  | 147,000 |
| 206. Honaunau Elementary School, Hawaii — Plans and construction of classrooms and equipment. Supplement to prior appropriations. Renovation of cafeteria for use as library.   | 390,000 |
| 207. Konawaena High and Intermediate School, Hawaii — Construction of gymnasium and equipment. Supplement to prior appropriation.   | 938,000 |
| 208. Kaumana Elementary School, Hawaii — Master plan.   | 8,000   |
| 209. Waiakea Intermediate School, Hawaii — Plans and construction of classroom multi-purpose building and supplement to prior appropriation.  | 442,000 |
| 210. de Silva Elementary School, Hawaii — Construct protected play area and parking.  | 181,000 |
| 211. Hilo High School, Hawaii — Plans, construction, equipment of industrial arts and agricultural program facilities and access road, covered walkway, covered patio, and extension and renovation of chemistry laboratory. Also, supplement to prior appropriations. Update sewer system to tie in with City's main line. | 612,000 |
| 212. Honokaa High and Elementary School, Hawaii — Plans and construction of classrooms, enlarge library; music building; home economics classroom; plans and construction and relocating agricultural facilities and equipment, supplementing prior appropriation.  | 747,550 |
| 213. Hilo Union Elementary School, Hawaii — Plans, construction and equipment of classrooms; plans for library and administration building.   | 190,000 |
| 214. Pahoa High and Elementary School, Hawaii — Plans for classrooms and administration buildings. Renovate gymnasium, supplementing prior appropriations.  | 150,000 |
| 215. Holualoa Elementary School, Hawaii — Land acquisition and planning for new school. Relocatable classrooms.   | 187,000 |
| 216. Laupahoehoe High and Elementary School, Hawaii — Plans and construction, connecting covered walkways.  | 65,000  |
| 217. Konawaena Elementary School, Hawaii — Plans, construction of library and equipment.  | 290,000 |
| 218. Keaau Elementary and Intermediate School, Hawaii — Plans for classroom replacement and supplement prior appropriations.  | 150,000 |

219. Keaukaha Elementary School, Hawaii — Master plan, plan for library.	22,000
220. Mt. View Elementary and Intermediate School, Hawaii — Plans and construction, classrooms, connecting covered walkways, improvements to driveways. Purchase equipment, improvements to multi-purpose court and lighting, improvement to physical education shower rooms and other appurtenances.	100,000
221. Paauilo Elementary and Intermediate School, Hawaii — Plans and construction for improvements and extension of classrooms, equipment, extension of cafeteria, other appurtenances, including improvement to playground facilities.	90,000
222. Kekealani Elementary School, Hawaii — For essential school facilities, including but not limiting to, improvements to existing classroom buildings, ground improvements, equipments and other necessary appurtenances (if and when it is determined funds are not needed, reasons satisfactory to Department of Education, may transfer funds to Mt. View School).	20,000

**Public Libraries****Hawaii**

223. Puna Schools and Community Libraries, Hawaii — To supplement prior appropriations for construction, equipment, books and including humidity and temperature control.	100,000
224. Laupahoehoe Community School Library, Hawaii — Constructing and equipping of a 7,500 sq. ft. community school library, supplementing prior appropriation of \$315,000. Unexpended funds shall be expended for Laupahoehoe High School.	170,000

**Schools****Kauai**

225. Waimea Elementary and middle school complex, Kauai — Supplemental funds for land acquisition and construction of classrooms for a new Waimea Elementary and middle school complex.	698,000
226. Kapaa High and Intermediate School, Kauai — Feasibility study, site selection, and site improvements for a new high school.	360,000
227. Koloa Elementary School, Kauai — Plans for classrooms and integrated utility system.	50,000
228. Waimea High and Intermediate School, Kauai — Construction and equipment for classroom buildings and administration building.	988,000
229. Kapaa Elementary School, Kauai — Playground and grounds improvements, plans for classrooms.	90,000
230. Kauai High and Intermediate School, Kauai — Plans, construction, and equipment of administration/library building(s), and to supplement prior appropriations.	885,000
231. Eleele School, Kauai — Plans, construction and equipment to replace fire losses and additional classrooms, and to supplement prior appropriation for cafeteria and utility system.	504,000
232. Kekaha Elementary School, Kauai — Plans and construction for new school.	10,000
233. Hanalei Elementary School, Kauai — Ground improvements and recreational facilities.	25,000
234. Kalaeo Elementary School, Kauai — Plans and construction of classrooms to implement master plan completed in 1968.	280,000
235. Wilcox Elementary School, Kauai — Plans and construction of library expansion.	71,000

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236. Waimea High School, Kauai — Ventilation fans for Waimea High School new cafeteria. 15,000

### Public Libraries

237. Hanapepe Library, Kauai — Addition to Hanapepe Branch Library at Hanapepe, Kauai. Enlarge present building by 2,000 sq. ft. and install temperature and humidity control equipment to library. 103,000

238. Koloa Community School Library, Kauai — Plans for a branch library building for public and school use, including a production-workroom center, a community meeting room, and facilities for children, young adult and adult library programs. 10,000

239. Kapaa Library, Kauai — Installation of temperature and humidity control equipment. 30,000

240. Waimea Library, Kauai — Installation of temperature and humidity control equipment. 22,000

## G. DEPARTMENT OF HAWAIIAN HOME LANDS

(To be expended by the Department of Hawaiian Home Lands)

### Statewide

1. Appropriation for maintenance, repair and renovation loans to homesteaders under the Hawaiian Homes program. 500,000

### Oahu

2. Nanakuli Roads, Oahu — Plans and improvements of existing roads to meet City & County standards, including parts of Nanakuli and Pililaau Avenues in Nanakuli, Oahu. 170,000  
55,000 s

3. Plans and construction of sidewalk along Auwaiolimu Street from Kapahu to Anianiku Streets; to be expended by the Department of Hawaiian Home Lands. 7,000

### Maui

4. Paukukalo Subdivision, Maui — Construction of roads, installation of utilities, and survey and stake out of residential lots at Paukukalo, Maui. 25,000  
15,000 s

5. Kapaakea Subdivision, Molokai — Plans and construction of residential lots including roads, installation of utilities, and survey and stake out of the lots. 185,000  
55,000 s

6. Hawaiian Homes Commission, Molokai — Plans and construction of community center. 20,000

### Hawaii

7. Puukapu-Nenie Water System, Waimea, County of Hawaii — Completion of Puukapu - Nenie Water System, Waimea, County of Hawaii. 375,000  
15,000 s

### Kauai

8. Anahola Subdivision, Kauai — Plans and construction of roadway waterline and other improvements for the development of 50 lots at Anahola, Kauai. 150,000

## H. DEPARTMENT OF HEALTH

### Oahu

#### Act 97 Hospitals

1. Maluhia Hospital, Honolulu, Oahu — Construction of two new wings. (Unexpended balances from Item F-8, Act 38, SLH 1966, and H-4, Act 217, SLH 1967 to be used for this project.) 720,000

#### Public Health and Others

2. Diamond Head Health Center, Oahu — Plans for a new health center, to house the Diamond Head Mental Health 100,000

Center, the Alcoholism Clinic, Convalescent Center, Preventive and Clinic Services, Correction and Family Court, Children's Day Treatment Center, Children's Health Services, Public Health Nursing, Dental Health, and Health Education.

3. New Virology Laboratory, Oahu — Plans for new Virology Laboratory, including location study.	60,000
4. Kaneohe Health Center, Oahu — Construction of a new health center to provide space for mental health, child service, public health nursing, dental health, and health education.	818,000
5. Hawaii State Hospital, Kaneohe, Oahu — Renovation of first floor of Goddard Building for new kitchen.	240,000
6. Hawaii State Hospital, Kaneohe, Oahu — Improvements to Roads and Utilities, Increment I.	233,000
7. Hawaii State Hospital, Kaneohe, Oahu — Reroofing of Central Kitchen.	173,000
8. Hawaii State Hospital, Kaneohe, Oahu — Construction of Ground Maintenance and Farm Buildings.	17,000
9. Hawaii State Hospital, Kaneohe, Oahu — Construction of shed for cars, trucks, bus, and construction equipment.	47,000
10. Waimano Training School and Hospital, Pearl City, Oahu — Enclosure of lanais, Lambert Building.	59,000
11. Hawaii State Hospital, Kaneohe, Oahu — For incremental construction, renovation and improvements to Hawaii State Hospital, including a new Adolescent Unit.	388,000
12. Waimano Training School and Hospital, Pearl City, Oahu — Construction of an additional walk-in freezer, a dry-food storage building, and a vegetable preparation area.	99,000
13. Waimano Training School and Hospital, Pearl City, Oahu — Conversion of Building 11 into classroom facility.	198,000
14. Waimano Training School and Hospital, Pearl City, Oahu — Conversion of Thayer Hall into a gymnasium with floor and wall space to accommodate gym equipment.	41,000
15. Wahiawa Community Center, Oahu — Plans and construction of additional floor space for Child Development Center, Vocational Rehabilitation Center and Day Activity Center.	192,000

### **Maui**

#### **Act 97 Hospitals**

16. Maui Memorial Hospital, Wailuku, Maui — Plans for new south wing.	90,000
17. Kula Sanatorium, Maui — Construction of two parking areas, complete with covered walkway.	20,000
18. Maui Memorial Hospital, Maui — Renovation of X-ray Department, including purchase of new Diagnostic X-ray Unit.	85,000
19. Kula Sanatorium, Maui — Completion of remodeling and modernization of hospital kitchen.	286,000
20. Maui Memorial Hospital, Wailuku, Maui — To purchase hospital equipment, including Image Amplifier for Radio-Isotope Laboratory, and to supplement appropriation in Item H-9, Section 1 of Act 40, SLH 1968.	155,000

#### **Hospital Grants-in-Aid**

21. Lanai Community Hospital, Lanai — Construction of nurses' quarters, minor capital improvements and equipment.	70,000
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#### **Public Health and Others**

22. J. Walter Cameron Center, Maui — Plans and construction of a comprehensive rehabilitation center, including equipment. (To be matched by Federal and other funds.)	100,000
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## ACT 155

### Hawaii

#### Act 97 Hospitals

23. New Kona Hospital, Hawaii — Land acquisition, plans, and construction for a new hospital to replace the existing structure.	342,000
24. Honokaa Hospital, Hawaii — Installation of a 100 KW Generator and tile flooring for entire hospital area, other improvements and alterations to present facilities and appurtenances.	90,000
25. Hilo Hospital, Hawaii—Construction of new main electrical system including transformers and switchgear and new engine generator.	17,000
26. Hilo Hospital, Hawaii — Purchase and installation of a 600-bed capacity hospital "Pathological" incinerator.	30,000
27. Kau Hospital, Hawaii — To supplement prior appropriations for planning and construction of a hospital and for equipment purchase.	473,000
28. Hilo Hospital, Hilo, Hawaii — Renovations and purchase of equipment, including parking lot and covered walkways, doctor's paging system and improvements to extended care facilities.	600,000

#### Public Health and Others

29. Kamuela Health Center, Waimea, Hawaii — Plans and construction of a public health center to provide space for offices, waiting room, conference, storage, and toilets.	118,000
30. Waiakea Health Center, Hilo, Hawaii — Plans and construction of additional space within the existing Waiakea Health Center to provide for an examination room, public toilet, waiting room, conference room, new pathological incinerator, and storage room.	52,000
31. Puna Health Center, Hawaii — Plans for the construction of a public health center.	10,000
32. Honokaa Rodent Control Laboratory, Hawaii — Planning and construction of a Rodent Control Laboratory building.	18,000

### Kauai

#### Act 97 Hospitals

33. Samuel Mahelona Memorial Hospital, Kapaa, Kauai — Construction of a new concrete Occupational Therapy Center, including the renovation of existing structure to centralize occupational therapy services and activities. Air conditioning of entire building.	526,000
34. Kauai Veterans Memorial Hospital, Waimea, Kauai — Purchase and installation of 150 KW Emergency Power Plant to replace the 15 KW unit.	20,000
35. Kauai Veterans Memorial Hospital, Waimea, Kauai — Extension of parking areas in the front and rear of the hospital.	10,000
36. Samuel Mahelona Memorial Hospital, Kauai — Centralization of laundry service at Samuel Mahelona Memorial Hospital. Acquisition of the following equipment: Washer-Extractor 400 pound capacity with Staph Control Barrier. Site and utility preparations. Flat work ironer. Purchase of a high speed flat work ironer and tumblers. Folder to be attached to the flat work ironer.	55,000
37. Kauai Veterans Memorial Hospital, Waimea, Kauai — Exterior and interior painting.	10,000
38. Kauai Veterans Memorial Hospital, Waimea, Kauai — Plans and construction of an intensive care unit.	115,000

#### Public Health and Others

39. Lihue Health Center Improvements, Kauai — Plans and construction for air-conditioning, covered walkways and additional parking area.	50,000
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**DEPARTMENT OF SOCIAL SERVICES****Oahu****Corrections**

1. Hawaii Youth Correctional Facility, Kailua, Oahu — Construction of a chain-link fence behind Olomana Cottage.	43,000
2. Hawaii State Prison, Oahu — Reroofing of all buildings within and adjacent to the State Prison walled area.	89,000
3. Hawaii State Prison, Oahu — Replacement of corrugated roofing, trusses, beams, columns, walls and stage of the recreation hall.	74,000
4. Hawaii State Prison, Oahu — Improvement of water supply.	14,000
5. Hawaii State Prison, Oahu — Relocation and reconstruction of existing volley ball court to be large enough to include a standard size basketball court complete with standards and baskets.	8,000
6. Hawaii State Prison, Oahu — Relocation of Security Towers 7 and 8. To supplement prior appropriation.	56,000

**Hawaii Housing Authority**

(To be expended by Hawaii Housing Authority)

7. University of Hawaii, Low-Income Housing, Oahu — Construction of dwelling units for married students of low income.	5,100,000 r
8. Waipahu-Ewa, Low-Income Housing, Oahu — Construction of dwelling units for families and elderly of low income.	4,000,000 r
9. Kukui, Low-Income Housing, Oahu — Construction of dwelling units for the elderly of low income.	1,261,000 r

**Maui****Hawaii Housing Authority**

(To be expended by Hawaii Housing Authority)

10. Lahaina Low-Income Housing for Aged, Maui — 50 units.	850,000 r
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**Hawaii****Corrections**

11. Water System, Kulani Honor Camp, Hawaii — Improvements to the water system for Kulani Honor Camp. The unexpended balance of Item IV-D-2, Act 38, SLH 1966, shall be used for this project.	1,000
12. Kulani Road Development, Hawaii — Grade, surface, and other improvements to the Stainback Highway.	40,000

**Hawaii Housing Authority**

(To be expended by Hawaii Housing Authority)

13. Puna, Low-Income Housing, Hawaii — Plans and construction of 35 units for the elderly or low income dwelling.	700,000 r
14. Pahala, Low-Income Housing, Hawaii — Construction of dwelling units for the elderly of low income.	400,000 r

**Kauai****Hawaii Housing Authority**

(To be expended by Hawaii Housing Authority)

15. General improvements including installation of screen doors, floodlights, fire escape and other miscellaneous improvements at all housing projects on Kauai.	40,000
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**Grant-in-Aid**

16. Grant-in-Aid to Rehabilitation Unlimited Kauai — To establish a satellite workshop at Hanapepe, Kauai. To provide vocational rehabilitation services and work opportunities to the physically and mentally handicapped persons.	20,000
17. Hanamaulu Center, Kauai — Facilities for retarded children and adult activities.	20,000

## ACT 155

### J. DEPARTMENT OF DEFENSE

#### Statewide

1. Replacement of Civil Defense Warning Sirens, Statewide — Replacement of Civil Defense Disaster Warning Sirens. 9,000  
9,000 f
2. Additional Disaster Warning Sirens, Statewide — Installation of additional Civil Defense Warning Sirens in all counties of the State. 20,000  
20,000 f

#### Oahu

3. Battery Birkhimer, Fort Ruger, Oahu — Waterproofing of concrete roof including removal of existing earth cover, construction of built-up roofing, and installation of perimeter drainage system. 106,000

#### Kauai

4. Kekaha Armory, Kauai — Construction and paving of parking area. 30,000
5. Kokee 150 AC and W Squadron, Kauai — Plans and construction of parking area to accommodate 75 cars. 30,000
6. Civil Defense Building, Kauai — To Supplement Item J-3 of Act 40, SLH 1968. 30,000

### K. DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

#### Oahu

1. Multi-Agency Building, Honolulu, Oahu — Incremental acquisition of land and building formerly owned by the Hawaiian Trust Company located on the corner of King and Richards Streets and under agreement of sale to the State of Hawaii. 942,000
2. State Capitol Building, Honolulu, Oahu — Construction of garage at the State Capitol, works of art, and funds necessary for opening of the Capitol. (This appropriation cancels the authorization of \$500,000 revenue bonds for the garage allowed by Item K-1 of Act 217, SLH 1967.) 1,660,000
3. Shafter Flats Development, Shafter Flats, Honolulu, Oahu — Phase I — Plans and construction for minimal facilities to replace those at Ala Moana in the area being developed as the Food Distribution Center and plans for the Record Storage Center. 750,000
4. Purchase of Capitol Annex Block, Honolulu, Oahu — Incremental purchase of additional land. 100,000
5. New State Office Building No. 1, Honolulu Civic Center, Oahu — Plans for a structure to house State departments in the Honolulu Civic Center. 161,000
6. Resurface Kipapa Street and State land across the Department of Education Central District Office. 20,000
7. Civic Center complex, Waianae, Oahu — Plans, land acquisition and construction of a Civic Center complex at Waianae to house various governmental agencies. 200,000
8. Neighborhood Services Center, Honolulu, Oahu — Plans, development and construction of a Neighborhood Services Center in the Kalihi area. (To be matched by HUD Funds.) 100,000
9. Airconditioning of the State Agricultural Building on Young Street in Honolulu, Oahu. 75,000
10. Improvements to the Keelikolani Building for the Department of Labor & Industrial Relations, includes airconditioning. 650,000

#### Maui

11. Acquisition of land for additional parking area for State Building, Wailuku, Maui. 100,000

**Hawaii**

12. Waimea Civic Center, Waimea, Hawaii — Purchase of land in Waimea and plans for construction of a multi-agency building.	220,000
13. State office buildings, Hawaii — Purchase of furniture and equipment for various state office buildings.	54,000
14. Mental Health and Rehabilitation Center, Kona, Hawaii — To supplement prior appropriation for the construction of a mental health and rehabilitation center.	42,000
15. Keaau — (Olaa) Civic Center, Hawaii — Addition and improvement to the existing facilities and equipment.	40,000
16. Civic Center, North Kohala, Hawaii — Completion of construction of civic center facilities.	100,000
17. Retaining wall, Kohala, Hawaii — Construction of a retaining wall to prevent continuous erosion at the site of the Kamehameha statue in Kohala, island of Hawaii.	10,000

**Kauai**

18. Remodeling Fifth Circuit Court Building, Lihue, Kauai — Alterations and improvements to the Fifth Circuit Court Building, including air-conditioning.	141,000
19. Koloa Recreation and Civic Center, Kauai — Plans, construction and furnishing of a Civic Center to include Senior Citizens Center, District Court, fire station and gym.	150,000

**L. LIEUTENANT GOVERNOR**

(To be expended by the Office of the Lieutenant Governor)

**Statewide**

1. Voting Machines, Statewide — Purchase of additional voting machines and/or voting devices.	100,000
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**M. JUDICIARY****Oahu**

1. District Court of Ewa, Oahu — Additional appropriation for completion of construction of District Court of Ewa at Pearl City, Oahu.	50,000
2. District Court and Multi-purpose Community Center, Haleiwa, Oahu — Plans and construction of a steel and concrete District courthouse, recreation and senior citizens center and a joint multi-purpose community meeting room.	250,000

**Maui**

3. District Court of Makawao, Maui — Plans and construction of a new building or addition to existing facilities.	137,000
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**Hawaii**

4. Third Circuit Court Detention Home, Hawaii — Construction of a new building or addition to other existing State facility, provided that with the approval of the Chief Justice the detention home may be modified to accommodate other methods of rehabilitating minors.	150,000
5. District Court of Hamakua, Hawaii — Supplementing prior appropriation for the completion of a judiciary building.	57,000

**N. AID TO COUNTIES****City and County of Honolulu**

(To be expended by the City and County of Honolulu)

## ACT 155

### Sewers

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| 1. Launiu Street Sewer — Waikiki, Oahu — Installation of a sewer line in the roadway between Kuhio Avenue and Ala Wai Boulevard.                   | 49,000  |
| 2. Namahana Street Sewer — Waikiki, Oahu — Installation of a short extension of the local sewer between Kuhio Avenue and Ala Wai Boulevard.        | 26,000  |
| 3. Niu Street Sewer — Waikiki, Oahu — Installation of a sewer line in the roadway between Kalakaua Avenue and Ala Wai Boulevard.                   | 34,000  |
| 4. Waialua-Haleiwa Sewer Treatment Plant, Oahu — Plans and construction of a sewer treatment plant and sewer system for the Waialua-Haleiwa areas. | 100,000 |

### Drainage

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|---|--------|
| 5. Improvements to Storm Drain System — Kahekili Highway — Vicinity of Kapunahala Subdivision, Oahu.  | 25,000 |
| 6. Kaukonahua Stream, Flood Control — Feasibility study of constructing a retention reservoir in the upper watershed area of Kaukonahua Stream. | 50,000 |

### Parks

- |   |         |
|---|---------|
| 7. Waahila Park — St. Louis Heights, Oahu — Improvements to Waahila Park.   | 50,000  |
| 8. Manoa Community Center, Oahu — Supplementary appropriation (to be matched by City & County).                               | 75,000  |
| 9. Kalihi Valley Field House, Oahu — Gymnasium at Kalihi Valley Field House (to be matched by the City & County of Honolulu). | 125,000 |
| 10. Ulakaa Park (Round Top), Oahu — Improvements to Ulakaa Park.  | 75,000  |
| 11. Hans L'Orange Park, Waipahu, Oahu — Supplemental funds for land acquisition, and for additional improvements.             | 50,000  |
| 12. Crane Field, Oahu — Improvements to Crane Field.  | 50,000  |
| 13. Kapaolono Park, Oahu — Appropriation for a competition swimming pool at Kapaolono Park in Kaimuki.                        | 125,000 |
| 14. Alewa Heights Park, Oahu — Improvements to Alewa Heights Park.  | 25,000  |
| 15. Lighting of walk-way and playground area at Nuuanu Valley Park, Oahu; to be expended by the City & County of Honolulu.    | 40,000  |
| 16. (Not used.)   |         |

### Flood Control

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|--|-------------|
| 17. Waimalu Stream Flood Control — Waimalu, Oahu — Construction of channel improvements extending from Pearl Harbor to upstream of Moanalua Road including Navy Bridge and utility adjustment and acquisition of right-of-way. | 500,000     |
|  | 1,000,000 f |
|  | 1,305,000 x |
| 18. Aiea Stream Flood Control, Aiea, Oahu — Construction of a reinforced concrete channel extending from Pearl Harbor to Moanalua Road including Navy Bridge and utility adjustment and acquisition of right-of-way.           | 300,000     |
|  | 1,000,000 f |
|  | 77,000 x    |

### Roads

- |   |        |
|---|--------|
| 19. Supplementary appropriation for plans and construction of guardrails on concrete base along Tantalus Drive, Papakolea. Supplemental to \$15,000 previously appropriated under Act 201, SLH 1963; to be expended by the City & County of Honolulu. | 10,000 |
|---|--------|

20. Plans and construction to widen Waimano Home Road above Noelani Street, Pearl City, Oahu.	250,000
21. Widening of Mahoe Road adjacent to August Ahrens School, Oahu.	50,000
22. Plans and construction of pedestrian overpass — Kahekili Highway at Keahala Road, Oahu. (This project will serve Hawaii State Hospital patients as well as children using District Park and Playground adjacent to State Hospital.)	75,000

**County of Maui**

(To be expended by the County of Maui)

**Water**

23. Honokowai-Lahaina Transmission Line, Maui — Installation of a new 16-inch transmission pipeline, along Honopiiilani Highway to supplement water system to Lahaina. (To be expended by the Board of Water Supply, County of Maui.)	175,000
24. Kaunakakai Storage Tank and Transmission Line, Molokai — Construction of new storage tank and transmission line. (To be expended by the Board of Water Supply, County of Maui.)	225,000
25. Lower Kula Transmission Line, Maui — For incremental development of transmission lines, feeder lines, tanks and other appurtenances. (To be expended by the Board of Water Supply, County of Maui.)	150,000
26. Ualapue Water Project, Molokai — Plans and construction of water source development and transmission facilities.	75,000
27. Kamalo Transmission Line, Molokai — Plans for installation of 8-inch transmission line, a new pump and a new tank.	25,000

**Sewers**

28. Kaunakakai Sewerage System, Molokai — Installation of sewerage collection system, including treatment plant and sewer outfall.	300,000
29. Lanai Sewerage System, Lanai — Installation of a completely new sewer system with an oxidation pond.	300,000 f 274,000 x
30. Lahaina Sewerage Treatment Plant, Maui — Plans for construction of a sewerage treatment plant.	230,000 185,000 f 235,000 x
31. Kihei Sewerage System, Maui — Plans and incremental construction of a sewerage system including treatment plant.	100,000
32. Paia Sewerage System, Maui — Plans and construction for sewer system from Lower Paia to Kuau.	220,000
33. Wailuku-Kahului Sewerage Treatment Plant, Maui — Plans and construction.	10,000 50,000

**Parks**

34. Kepaniwai Park, Maui — To supplement prior appropriation.	125,000
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**Others**

35. Maui War Memorial Center Complex, Maui — To supplement prior appropriation.	485,000
36. Lahaina Civic and Recreation Center, Maui — Incremental construction of recreation center complex.	400,000
37. Dickenson Street, Lahaina, Maui — Plans and construction.	50,000
38. Lahaina Restoration, Lahaina, Maui — Research, plans, construction and preservation for the Lahaina Historic Restoration project.	100,000

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### County of Hawaii

(To be expended by the County of Hawaii)

#### Sewers

39. Kailua-Kona Sewer System, Hawaii — Phase II expansion of the Kailua-Kona Sewerage System.	345,000 640,000 f 345,000 x
40. Hilo Sewer System, Hawaii — Planning of Phase III of the Hilo Sewerage System.	40,000 35,000 x
41. Hilo Sewer System Phase II-A — Supplement prior appropriation.	375,000 100,000 x

#### Roads

42. Kamehameha III Road — Kuakini Highway to Keauhou Bay, Hawaii — Construction and land acquisition to widen, realign, and improve the road from Kuakini Highway to Keauhou Bay.	65,000 125,000 FAS 60,000 x
43. Alii Drive Realignment, North Kona, Hawaii — Plans to realign and improve the coastal road from Kailua to Keauhou.	15,000 10,000 x
44. Piihonua Bridge, Hawaii — Planning and construction of concrete bridge to replace existing steel bridge.	150,000 175,000 x
45. Mohouli-Ainako Road Extension, Hawaii — Planning for construction of road connecting Mohouli Street and Ainako Avenue.	35,000
46. Kaohe Road, Pahoa, Hawaii — Improve, pave and resurface existing road and improve Pahoa High School by-pass road.	25,000 25,000 x
47. Puna — Homestead Road, Hawaii — Repair, construction, pave and resurface Homestead Road and other farm to market roads.	25,000 25,000 x
48. Napoopoo Road, South Kona, Hawaii — Plans and land acquisition to widen, realign, and improve the road leading from the Belt Highway to Napoopoo-Kealakekua Bay area.	45,000 90,000 FAS 45,000 x
49. Napoopoo-Honaunau Beach Road, South Kona, Hawaii — Plans and land acquisition to widen, realign, and improve the coastal road from Napoopoo, Kealakekua Bay to the the Honaunau City of Refuge.	15,000 35,000 FAS 15,000 x

#### Drainage

50. Kona Watershed Project, Hawaii — Construction of covered channel for Keopu Channel in Kailua-Kona, Hawaii,	53,000 53,000 x
51. Hilo Storm Drainage, Hawaii — Land acquisition and construction of channels and levees, diversion ditches, and appurtenant drainage facilities.	75,000 75,000 f 75,000 x
52. Wailuku-Alenaio Watershed Project, Hilo, Hawaii — Plans and land acquisition of proposed watershed protection — flood prevention project for the Kaumana and downtown Hilo areas.	30,000 30,000 x
53. Waiakea-uka Flood Control Project, Hawaii — Planning, land acquisition and construction of flood control measures (supplement prior appropriation).	225,000

#### Parks

54. Hoolulu Park Development, Hawaii — Construction of 2,300-seat covered grandstand (to supplement prior appropriation).	350,000
55. Keei Golf Course, Hawaii — Construction of first "nine" of 18-hole public golf course (supplement to local appropriation).	200,000

56. Kalapana Beach Parks, Puna, Hawaii — Acquisition of privately-owned beachland located between the Harry K. Brown and Kaimu Beach Park complexes (to supplement prior appropriation).	100,000
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**County of Kauai**

(To be expended by the County of Kauai)

**Sewers**

57. Wailua Sewer Plant Expansion, Kauai — Expansion of existing Wailua Sewer Treatment Plant from 0.25 M.G.D. average to 0.5 M.G.D.	100,000
58. Poipu, Kukuiula, Koloa Sewerage System, Kauai — Plans for a sewerage system.	90,000 f
59. Eleele-Hanapepe Sewerage System, Kauai — Construction of a sewerage system.	90,000 x
60. Waimea-Kekaha, Kauai — Plans for a sewerage system.	66,000
	28,000 f
	118,000
	104,000 f
	107,000 x
	30,000
	25,000 f
	25,000 x

**Roads**

61. Kilauea Lighthouse Road Kauai — Realignment, widening, and reconstruction of Kilauea Lighthouse Road.	42,000
62. Barking Sands Road, Kauai — Plans for a paved road from Mana to Barking Sands and Polihale.	38,000 x
63. Olohepa Road, Kapaa, Kauai — Widen and resurface existing road.	25,000

**Government Facilities**

64. State Office Building Parking, Kauai — Plans and construction of parking area of new State Office Building.	28,000
65. Renovation of Tax Office Building, Kauai — Renovation of building, improvement to electrical system, alteration of basement for storage and office space, improvement to office on first floor and other improvements.	27,000 x

**Kauai****Drainage**

66. Master Plan for Drainage at Wailua Houselots and the Wailua Resort Area.	20,000
67. Hikiula Gulch Drainage System, Hanapepe, Kauai — Plans, land acquisition and construction of a drainage system.	40,000 x

**Others**

68. Concrete Ford Crossing across Waimea River, Kauai — Construction of a vehicular concrete Ford Crossing 12 feet wide across the Waimea River.	44,000
69. Kapaa Community Center, Kauai — Purchase of furniture and equipment.	25,000
70. Waimea Athletic Field, Kauai — Acquisition and development of a new athletic field. To supplement Item V-A-3 of Act 38, SLH 1966.	30,000
71. Kauai Planning Commission — To develop Kauai General Plan, review and prepare comprehensive zoning plans, economic study to include resort, agricultural, as well as diversified industries. The Kauai Planning Commission should utilize Federal as well as county matching funds.	50,000

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72. Hanapepe Recreation Building — Plans for new recreation building in Hanapepe.	15,000
73. Hanamaulu Beach Park, Kauai — Development of a 6.5 acres County Park according to the Master Plan. This will include a new pavilion, rest rooms, trailer camp site, playground and lighting of park.	100,000 100,000 x
74. Hanapepe Baseyard, Kauai — Construction of office and shed and paving.	50,000 50,000 x
75. G. N. Wilcox Memorial Hospital, Lihue, Kauai — Grant-in-Aid for supplemental appropriation for the construction of facilities at G. N. Wilcox Memorial Hospital.	600,000

### Flood Control

76. Nawiliwili Stream Flood Control — Plans and construction for dredging and constructing permanent concrete embankment.	90,000
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## O. OTHER PROJECTS

### Oahu

1. Honolulu Theatre for Youth, Honolulu, Oahu — Funds for additional planning and construction of a theater to be located Ewa of Nuuana Avenue, Honolulu. Unexpended balances from Item 0-8 of Act 217, SLH 1967, and Item M-1 of Act 40, SLH, 1968 are to be used for this project.	190,000
2. Kuakini Hospital, Honolulu, Oahu — Grant-in-aid for phase II of expansion and modernization program consisting of replacing existing administration building and remodeling areas vacated by x-ray and laboratories into administrative and business offices. (Anticipated funds from other sources \$800,000.)	350,000
3. Kahuku Hospital, Kahuku, Oahu — Grant-in-aid for purchase of diagnostic x-ray equipment; refrigerator and freezer for dietary department; sealing and painting of flooring for the medical-surgical wing; and consultant services for a comprehensive plan.	150,000
4. Queen's Medical Center, Honolulu, Oahu — Grant-in-aid for construction of Community Mental Health Center to provide in-patient bed services, out-patient ambulatory services, consultative services to other community agencies, educational services to professional and paramedical disciplines and other community services. (Anticipated funds from other sources \$1,650,000.)	400,000
5. St. Francis Hospital, Honolulu, Oahu — Grant-in-aid plans and construction of long-term care facilities.	350,000
6. Kapiolani Maternity and Gynecological Hospital, Oahu — Grant-in-aid for plans and construction of additional facilities.	400,000
7. Rehabilitation Center of Hawaii, Honolulu, Oahu — Additional grant-in-aid for plans, construction and equipment for expansion of the Center. (To be matched by Hill-Burton or private funds and to be coordinated with the department of health facilities planning council of Hawaii.)	350,000
8. Plans for wildlife sanctuary and park at Paiko Peninsula.	15,000
9. Stadium, Oahu — Plans for a stadium to be constructed in Halawa, City and County of Honolulu. To be expended by the Governor State of Hawaii, who may contract with the Mayor of the City and County of Honolulu or the City Council of the City and County of Honolulu to accomplish the intent of this appropriation.	1,000,000

**SECTION 2.** The designated expending agency is authorized to delegate to other state or county agencies the planning and construction of projects under Section 1 when it is determined by such agency that it is more advantageous to do so.

**SECTION 3.** The appropriations and authorizations in Section 1 may include land purchase, plans, site preparation, improvements to land, construction, and necessary equipment as approved by the Governor when riders to authorizations are not specific.

**SECTION 4.** All general obligation bond funds used for any highway project, land development project, or airport project, which funding is designated by the letter symbol (a), shall have the bond principal and interest reimbursed from the state highway fund, land development special fund, or the airport revenue fund, respectively. Bonds issued for irrigation projects shall be reimbursed, as provided by Section 174-21, Hawaii Revised Statutes.

**SECTION 5.** 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 39, Hawaii Revised Statutes, 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 243-4(a) (2) and 248-8, Hawaii Revised Statutes, as amended, 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 to finance those projects in Section 1 where the method of financing is designated to be by airport revenue bond funds.

**SECTION 6.** All general obligation bond funds used for any harbor project, which funding is designated by the letter symbol (a) shall have the bond principal and interest reimbursed from the Harbor Special Fund. Reimburse-

## **ACT 155**

ment may be made on actual interest payments for the first three years and for principal and interest in equal annual amounts for a period not to exceed twenty-seven years thereafter, even though the general obligation bonds so issued may commence maturing within three years after their issuance and may have a shorter final maturity than thirty years. The Harbor Special Fund shall be liable to the general fund for interest on the difference between (1) the payments made by the Harbor Special Fund to the general fund and (2) the amounts paid by the general fund on the general obligation bonds issued hereunder. Both the reimbursement and the interest on the difference shall constitute bond requirements on general obligation bonds within the meaning of the paragraph beginning with the word "Fourth" of Section 266-19, Hawaii Revised Statutes, and shall be paid pursuant to that paragraph.

**SECTION 7.** Funds appropriated for project IF-115 by Act 40, Session Laws of Hawaii 1968, shall lapse as of July 1, 1969. All unrequired balances arising from completed capital improvement projects as enumerated in the Department of Education's "Schedule of Unrequired Balances - as of February 11, 1969", shall lapse as of July 1, 1969.

**SECTION 8.** The Hawaii Housing Authority is authorized to issue housing authority revenue bonds for housing authority revenue bond financed projects authorized by this Act, pursuant to provisions of Section 103-7, Hawaii Revised Statutes. The expenses of the issuance of such housing authority revenue bonds and the principal and interest on such bonds sold shall not be a general obligation to the State of Hawaii.

**SECTION 9.** The Governor shall determine when and the manner in which authorized projects shall be initiated. In releasing funds for projects, the Governor shall consider the objectives of the user agency, its programs, the scope and level of the user agency's intended service; and the means, efficiency, and economics by which the project will meet the objectives of said user agency and the State. Agencies responsible for construction shall take into consideration the objectives of the user agency, its programs, and the scope and level of the user agency's intended service and shall construct the improvement to meet the objectives of said user agency in the most efficient and economical manner possible.

**SECTION 10.** The negotiation for the purchase of land by State agencies shall be subject to the approval of the Governor. Private lands may be acquired for the purposes of exchange for Federal lands when the Governor determines that such acquisition and exchange are necessary for the completion of any herein or previously authorized projects.

**SECTION 11.** In case the amount specified for any capital improvement project shall not be wholly required to complete the work of such item or after it is definitely found by the expending officer that not more than a specified amount will be required to complete said work, such unrequired amount may be expended with the approval of the Governor for any other capital improvement project authorized by the legislature in this Act or in a prior year or which may be authorized by the legislature in the future.

SECTION 12. The sum of \$3,000,000 or as much thereof as may be necessary, is hereby appropriated or authorized, as the case may be, from monies in the treasury received from general obligation bond funds, to the Governor for adjustment purposes of projects, which sources of funding are general obligation bond funds as authorized under Section 1 hereof. General obligation bonds may be issued as provided by law to yield \$3,000,000 for project adjustment purposes as stated herein. The Governor may make supplementary allotment from this fund but in no event shall the allotment or allotments be used to increase the intended scope of such projects.

SECTION 13. The Governor may authorize the expenditure of funds for capital improvement projects not previously authorized or not itemized in Section 1 to cope with unforeseen emergencies arising from elements such as fires and natural disasters and for any Federal-aid portion of any capital improvement project itemized in Section 1 where application for such aid has been made and approval has been denied, provided that such emergencies or denial of Federal-aid create an urgent need to pursue a course of action which would be in the best interest of the State, provided further that the Governor to fund these projects, shall utilize savings from any of the projects contained in Section 1, or if not available, utilize unallotted funds from any project contained in this Act, and provided further that the Governor shall report to the session of the legislature next on all projects affected by provisions herein.

SECTION 14. Where the Governor of any agency of any Government unit is able to secure Federal funds or other property made available under any Act of Congress, or any funds or other property from private organizations or individuals, to be expended in connection with or for the planning and/or construction of any program or works authorized by this Act, or otherwise, the Governor or agency (with the Governor's approval) shall have the power to enter into such undertaking with the proper offices or agencies of the Federal Government or private organization or individuals, if approved by the Governor. While most Federal-aid allocations are known and local matching funds are provided in this Act, there may be programs for which Federal-local cost sharing is not yet determined. In such cases, the availability of Federal funds shall be construed as a reduction of State costs whenever possible.

SECTION 15. In the event the State should assume the direct operation of any non-public agency receiving State funds under the provisions of this Act, such funds shall be applied against the capital costs - land, structures, equipment and others - of acquiring that non-public agency.

SECTION 16. In connection with all state park projects in Section 1, the Board of Land and Natural Resources may use its present staff, summer student help, and such temporary personnel who shall be exempted from the provisions of Chapters 76 and 77, Hawaii Revised Statutes, and who are unemployed and duly registered as unemployed with the Department of Labor and Industrial Relations. The Board may, upon approval of the Governor, enter into contract for the necessary equipment, supplies, materials, labor, professional service and technical assistance to be used in the projects.

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**SECTION 17.** Where appropriations or authorizations for Department of Education projects specify the number of units, classrooms, partitions, etc., and the amount appropriated or authorized is insufficient to plan for and construct the specified number, the department may plan for and construct less than the number specified.

**SECTION 18.** The University of Hawaii is authorized to issue revenue bonds for the incremental development of university dormitory facilities as contained in Section 1 hereof. The Governor, in his discretion, is authorized to use general obligation bond funds to finance the student dormitories authorized in Section 1, in lieu of the full application thereto of University of Hawaii revenue bond funds, and the foregoing amount, or so much thereof as shall be sufficient to finance such undertakings, are hereby appropriated from general obligation bond funds, provided, the sum total of University of Hawaii revenue bond funds and general obligation bond funds for student dormitories authorized in said section of this Act shall not exceed \$8,000,000. The principal and interest of general obligation bonds issued in lieu of University of Hawaii revenue bonds for student dormitories authorized in Section 1 shall be reimbursed to the general fund from the net revenue derived from the rates, rentals, fees and charges imposed for the use and services of the facilities furnished by the undertaking.

**SECTION 19.** In the event that no funds are allotted by the Governor for any project in Section 1 during the period ending June 30, 1973, authorizations and appropriations for such projects shall lapse as of June 30, 1973; provided that authorizations and appropriations which supplement previously authorized projects shall not lapse.

**SECTION 20.** If any portion of this Act or its application to any persons or circumstances is held to be invalid for any reason, then the legislature hereby declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and such remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

**SECTION 21.** This Act, upon its passage and approval in the manner provided by the Constitution of the State, shall take effect on July 1, 1969.

(Approved June 30, 1969.)

**ACT 156**

S. B. NO. 167

A Bill for an Act Relating to Holidays.

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

**SECTION 1.** Section 8-1, Hawaii Revised Statutes, is amended to read:

“**Holidays designated.** The following days of each year are set apart

and established as state holidays:

The first day of January, New Year's Day;  
 The third Monday in February, Presidents' Day;  
 The twenty-sixth day of March, Kuhio Day;  
 The Friday preceding Easter Sunday, Good Friday;  
 The last Monday in May, Memorial Day;  
 The eleventh day of June, Kamehameha Day;  
 The fourth day of July, Independence Day;  
 The third Friday in August, Admission Day;  
 The first Monday in September, Labor Day;  
 The second Monday in October, Columbus Day;  
 The fourth Monday in October, Veterans' Day;  
 The twenty-fifth day of December, Christmas Day;  
 All election days, except primary election day, in the county wherein the election is held;

Any day designated by proclamation by the President of the United States as a day of thanksgiving, fasting or religious observance;

Any day designated by proclamation by the governor as a holiday."

SECTION 2. Section 8-2, Hawaii Revised Statutes, is amended to read:

**"Observance of holidays falling on Sundays and Saturdays.** If any of the State's legal holidays fall on Sunday, the following Monday shall be observed as a holiday. If the day falls on Saturday and is also observed as a national holiday, the preceding Friday shall be observed as a holiday."

SECTION 3. The provisions of this Act, with the exception of the designation of the fourth day of July and the designation of the third Friday in August as state holidays, shall take effect on January 1, 1971. The designation of the fourth day of July and the designation of the third Friday in August as state holidays shall be effective upon the approval of this Act.

(Approved June 30, 1969.)

A Bill for an Act Relating to the Employees' Retirement System and the Crediting of Membership Service for Employees Having Entered the Military Service.

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

SECTION 1. Section 88-51 of the Hawaii Revised Statutes is amended in the following respects:

(a) delete the word "and" at the end of paragraph (7);

(b) delete the period at the end of paragraph (8) and substitute a comma therefor and the word "and";

(c) add a new paragraph at the end thereof to read as follows:

"(9) service in the military service of the United States during the period 1941-1945 rendered by an employee who was employed by the Territory or

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county prior to his induction into the military and who subsequently returned to employment of the Territory or county following his discharge."

SECTION 2. All acts passed during this Regular Session of 1969, whether enacted before or after passage of this Act, shall be amended to conform to this Act, unless such acts specifically provide that this Act is being amended.

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

(Approved June 30, 1969.)

**ACT 158**

H. B. NO. 475

A Bill for an Act Relating to Abandoned Motor Vehicles.

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

SECTION 1. Section 267-4, Revised Laws of Hawaii 1955, is amended to read as follows:

**"Sec. 267-4. Obstructing highway, etc.** Obstructing a highway, channel, entrance to a harbor, harbor town, navigable stream or public place, without just cause, is a common nuisance:

As by digging a ditch, laying logs, erecting a gate or placing any other impediment in a highway;

By leaving carts or other vehicles standing in the highway an unreasonable time;

By using the highway as a timber yard, or a yard to a storehouse, or as a place to dry hides;

By erecting or maintaining a building, fence or structure within the limits of a highway or a public place;

By leaving a motor vehicle unattended unlawfully for a continuous period of more than twenty-four hours on any public highway or other public property or on private property without authorization of the owner or occupant of such property;

By overflowing a highway;

By rapid or unskillful driving, or driving an unmanageable team on the highway and thereby endangering life;

By tying horses or other animals in the public streets for the purpose of grazing.

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to con-

form with the Hawaii Revised Statutes.

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

(Approved June 30, 1969.)

**ACT 159**

**S. B. NO. 701**

A Bill for an Act Relating to Investments Authorized for Certain Institutional and Fiduciary Investors.

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

**SECTION 1.** Section 6-75(p), Revised Laws of Hawaii 1955, as amended, is hereby amended to read:

“(p) World Bank, Inter-American Development Bank and Asian Development Bank obligations. Obligations issued or guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank or the Asian Development Bank.”

**SECTION 2.** Section 178-86, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding a new subsection to read:

“( ) Obligations issued or guaranteed by the Asian Development Bank, provided that not more than one per cent of the savings deposits of the bank shall be invested in such obligations.”

**SECTION 3.** Section 181-274, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding a new paragraph to read:

“In addition to the foregoing an insurer may invest any of its funds in obligations issued or guaranteed by the Inter-American Development Bank, the International Bank for Reconstruction and Development or the Asian Development Bank.”

**SECTION 4.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 5.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 6.** This Act shall take effect upon its approval.

(Approved June 29, 1969.)

\* Edited accordingly

## **ACT 160**

**ACT 160**

**S. B. NO. 991**

A Bill for an Act Relating to Nursing Home Administrators.

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

SECTION 1. Section 46-15(a), Revised Laws of Hawaii 1955, is amended to read as follows:

“(a) The department of health with the approval of the governor, may prescribe such rules or regulations as it deems necessary for the public health or safety respecting (1) the occupations or practices of midwives, laboratory directors, laboratory technicians, physical therapists, podiatrists, tattoo artists, sanitarians, itinerant vendors of medicines or drugs or devices, and nursing home administrators; (2) the health, education, training, experience, habits, qualifications or character of persons to whom certificates of registration or permits for such occupations or practices may be issued; (3) the health, habits, character, practices, standards or conduct of persons holding such certificates or permits; or (4) the grounds or causes for revoking or suspending such certificates or permits. Such rules or regulations shall have the force and effect of law.”

SECTION 2. Section 46-15.1, Revised Laws of Hawaii 1955, is amended by adding the following new item:

“(i) Nursing home administrator . . . . \$25.”

SECTION 3. Section 46-15.2, Revised Laws of Hawaii 1955, is amended by adding the following new item:

“(i) Nursing home administrator . . . . \$5.”

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 5. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provision of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 6. This Act shall take effect upon its approval.

(Approved June 29, 1969.)

**ACT 161**

**H. B. NO. 1193**

A Bill for an Act Relating to the Uniform Narcotic Drug Act.

\* Edited accordingly

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

SECTION 1. Section 329-5, Hawaii Revised Statutes, is amended by deleting the period at the end and adding the following:

“; provided that, every person who possesses any marijuana, except as otherwise provided by law, shall be punished by imprisonment for not more than one year, or for not less than one year nor more than five years.

If such person has been previously convicted once of any felony offense described in this chapter or has been previously convicted once of any offense under the laws of any other state or of the United States which if committed in this State would have been punishable as a felony offense described in this chapter, the previous conviction shall be charged in the indictment or information and if found to be true by the jury, upon a jury trial, or is found to be true by the court, upon a court trial, or is admitted by the defendant, he shall be imprisoned for not less than two years nor more than ten years, and shall not be eligible for release upon completion of sentence, or on parole, or on any other basis until he has served not less than two years.

If such person has been previously convicted two or more times of any felony offense described in this chapter or has been previously convicted two or more times of any offense under the laws of any other state or of the United States which if committed in this State would have been punishable as a felony offense described in this chapter, the previous convictions shall be charged in the indictment or information and if found to be true by the jury, upon a jury trial, or if found to be true by the court, upon a court trial, or are admitted by the defendant, he shall be imprisoned for not less than five years nor more than twenty years, and shall not be eligible for release upon completion of sentence, or on parole, or on any other basis until he has served not less than five years.”

SECTION 2. This Act shall take effect upon its approval.

(Approved July 7, 1969.)

**ACT 162**

**H. B. NO. 282**

A Bill for an Act Relating to Employment of Minors Under Eighteen Years of Age and Repealing Section 88-22, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 88-22, Revised Laws of Hawaii 1955 is repealed.

SECTION 2. The Revised Laws of Hawaii 1955 is amended by adding thereto a new chapter as follows:

**“CHAPTER  
“CHILD LABOR LAW**

**“Section 1. Definitions.** As used in this chapter: (1) ‘Department’ means the department of labor and industrial relations.

## ACT 162

(2) 'Director' means the director of labor and industrial relations.

(3) 'Employer' includes any individual, partnership, association, joint stock company, trust, corporation, the administrator or executor of the estate of a deceased individual or the receiver, trustee, or successor of any of the same, employing any person, but shall not include the State or any political subdivision thereof or the United States.

(4) 'Gainful occupation' means any activity which produces pecuniary gain for any person or persons connected therewith.

(5) 'Theatrical employment' means gainful occupation as a model, dancer, singer, musician, entertainer or motion picture, television, radio or theatrical performer.

**Section 2. Employment of minors under eighteen years of age.** (a) No minor under eighteen years of age shall be employed or permitted to work in, about or in connection with any gainful occupation at any time except as otherwise provided in this section. In no event, however, shall the minor be permitted to be employed or permitted to work in, about or in connection with any gainful occupation prohibited by law or which has been declared by rule or regulation of the director to be hazardous for the minor.

(b) A minor who has attained the age of sixteen years but not eighteen years may be employed during periods when he is not legally required to attend school or when he is excused by school authorities from attending school; provided that the employer of the minor records and keeps on file the number of a valid certificate of age issued to the minor by the department.

(c) A minor who has attained the age of fourteen years but not sixteen years may be employed or permitted to work:

(1) during periods when he is not legally required to attend school or when he is excused by school authorities from attending school; and

(2) if the employer of the minor procures and keeps on file a valid certificate of employment; and

(3) no more than five hours continuously without an interval of at least thirty consecutive minutes for a rest or lunch period; and

(4) no more than six consecutive days nor more than forty hours in any one week, nor more than eight hours in any one day, nor before 7:00 a.m. nor after 7:00 p.m. of any day; provided that from June 1 through the day before Labor Day of each year he may be employed between 6:00 a.m. and 8:00 p.m. The combined hours of work and hours in school of the minor employed outside school hours shall not exceed ten in a day.

(d) A minor under fourteen years of age may be employed or permitted to work in theatrical employment or in harvesting of coffee under circumstances and conditions prescribed by the director by regulation; provided that:

(1) the work is performed during periods when he is not legally required to attend school or when he is excused by school authorities from attending school;

(2) with respect to employment in harvesting of coffee, the director has determined after a public hearing that sufficient adult labor to perform the work is unavailable; and

(3) the employer of the minor procures and keeps on file a valid certificate of employment.

**Section 3. Certificates of employment and age.** (a) Certificates of employment and age shall be issued by persons appointed by the director in the form and under conditions prescribed by the director.

(b) A person designated to issue certificates of employment may refuse to issue a certificate if in his judgment the nature of the employment or the place thereof is such as to injuriously affect the health, safety or well-being of the minor or contribute toward his delinquency.

(c) Every employer receiving a certificate of employment shall return the certificate to the department immediately after termination of the employment showing thereon the date of termination.

(d) The department may destroy or dispose of any certificate of employment on file which was issued on behalf of a minor who has attained the age of eighteen years and any application for a certificate of employment or age which was filed with the department more than five years prior to the destruction or disposition.

**Section 4. Suspension, revocation, invalidation of certificate.** The director may suspend, revoke or invalidate any certificate of employment or age if in his judgment it was improperly issued, the minor is illegally employed, or the nature or condition of employment is such as to injuriously affect the health, safety or well-being of the minor or contribute toward his delinquency.

**Section 5. Exceptions.** This chapter shall not apply to any minor employed:

(1) by his parent or legal guardian during periods when the minor is not legally required to attend school or when he is excused by school authorities from attending school in an occupation which has not been declared by rule or regulation of the director to be hazardous; or

(2) in the performance of work in connection with the sale or distribution of newspapers; or

(3) in domestic service in or about the private home of the employer; or

(4) as a golf caddy; or

(5) by any religious, charitable or non-profit organization in exempt employment as prescribed by the director by rule or regulation.

**Section 6. Rules and regulations.** The director may adopt rules and regulations for the purpose of carrying out this chapter and may, by rules or regulations, make variation in the number of hours or days or the hours of commencement or termination of the work day specified in Section 2c(4) where the variation will not be detrimental to the health or well-being of a minor.

**Section 7. Penalty.** Any person who wilfully violates any provision of this chapter shall be fined not more than \$1,000 or imprisoned not more than one year, or both."

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of

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Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect on August 1, 1969.

(Approved July 8, 1969.)

## **ACT 163**

H. B. NO. 355

A Bill for an Act Relating to Contractors.

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

**SECTION 1.** Section 166A-2(h), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

“(h) Any copartnership or joint venture if all members thereof hold licenses issued under this chapter.”

**SECTION 2.** Section 166A-10(c), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

“(c) Any copartnership or joint venture which is not exempt under section 166A-2(h) unless the contracting business thereof is under the direct management of a partner or employee thereof and unless such partner or employee holds an appropriate license;”

**SECTION 3.** Section 166A-16(i), Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

“(i) When the licensee being a copartnership or a joint venture permits any member or employee of such copartnership or joint venture who does not hold a license to have the direct management of the contracting business thereof;”

**SECTION 4.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

**SECTION 5.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

\* Edited accordingly

**SECTION 6.** This Act shall take effect upon its approval.

(Approved July 8, 1969.)

**ACT 164**

H. B. NO. 358

A Bill for an Act Relating to Teachers' Housing.

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

**SECTION 1.** Purpose. The purpose of this Act is to create a special fund for the accounting and control of receipts and disbursements in connection with the Hawaii housing authority's functions of planning, construction, repair, maintenance, and operation of housing for teachers employed and assigned by the department of education. Teacher housing shall be provided only if the community does not have adequate housing for teachers at reasonable cost.

**SECTION 2.** Establishment of revolving fund. The director of finance shall set up out of any moneys heretofore or hereafter appropriated for the purposes of teacher housing, a revolving fund to be known as the "Teachers' Housing Revolving Fund." All unexpended balances of appropriations, allocations, allotments, special revolving funds or other funds heretofore created and made available for the purposes of developing or administering teachers' housing projects shall be transferred to the Teachers' Housing Revolving Fund. Notwithstanding any law to the contrary, all moneys, including refunds, reimbursements, and rentals for housing from teacher tenants shall be deposited in the revolving fund.

The revolving fund may be used by the Hawaii housing authority for any and all of the purposes of teachers' housing including, without prejudice to the generality of the foregoing, the planning, construction, maintenance, and operation of teachers' housing, as well as for the salaries of the necessary personnel in charge thereof.

Whenever the governor determines that the amount in the Teachers' Housing is in excess of the requirements of the teacher housing program, the Hawaii housing authority shall transfer such excess to the State general fund.

**SECTION 3.** Annual statements. The Hawaii housing authority shall annually forward to the director of social services and the director of finance a full, detailed description and financial statement of the planning, construction, repair, maintenance, and operation of teacher housing.

**SECTION 4.** Rules and regulations. The Hawaii housing authority may promulgate rules and regulations which are necessary or desirable for the purposes of this Act.

**SECTION 5.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to

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the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the reference in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 6.** This Act shall take effect upon its approval.

(Approved July 8, 1969.)

**ACT 165**

**H. B. NO. 571**

A Bill for an Act Relating to Hog Cholera Eradication Program.

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

**SECTION 1.** The purpose of this Act is to enable the State, as part of the national effort, to eradicate hog cholera. Hog cholera can destroy entire herds of swine to the detriment not only of the swine industry, but ultimately to the consumers of the State.

Adding further impetus for the necessity of this legislation is the decision of the United States department of agriculture to prohibit the interstate shipment of hog cholera vaccine.

As part of the national hog cholera eradication program, the United States department of agriculture subsidizes the owners of swine destroyed by the payment of an amount equal to the indemnity paid by the State.

**SECTION 2.** Part 1 of Chapter 20, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to read as follows:

"Section 20-22.9. Hog cholera eradication; indemnity. When swine are destroyed by the State veterinarian as being infected with hog cholera, or when non-infected swine are ordered destroyed to depopulate an infected herd in accordance with procedures adopted in the national hog cholera eradication program, the department of agriculture may indemnify the owners of such swine; provided, that the amount of the indemnity shall not exceed 50% of the difference between the appraised value and the salvage value of the slaughtered swine; and provided further, that in no case shall the amount exceed \$40 for grade animals and \$50 for registered purebreed swine.

No indemnification shall be paid when the State veterinarian finds that (a) the owner has not cooperated with the department in complying with all rules and regulations issued by the department relative to the control and eradication of hog cholera; or (b) the swine died of hog cholera prior to the first report by the owner to the State veterinarian of the existence of a disease in the herd. The determination of the State veterinarian that no indemnification be paid the owner for the destruction of his swine, may be appealed by the owner to the board of agriculture within 20 days after notice of such determination is sent to him. The board shall hold a hearing in accordance with Chapter 6C.

Valuation may be determined by agreement in writing between the owner and the State veterinarian, his assistant or deputy making the diagnosis of hog cholera, subject to approval by the board. In the event agreement on val-

uation cannot be so reached, valuation shall be determined by a board of appraisers consisting of a disinterested citizen appointed by the chairman of the board of agriculture, a person selected by the owner, and a third person selected by the two initially selected appraisers. The board of appraisers shall appraise the value of the destroyed swine and the decision of a majority of the board of appraisers shall be final and binding.

All valuation of swine under this section, whether by agreement or by the board of appraisers, shall be based upon the market value of the swine so destroyed as of the date of appraisal, whether for breeding or feeding purposes.

Compensation for the board of appraisers shall be the amount of the State per diem and necessary travel expenses, which compensation shall be paid by the owner if the board of appraisers does not increase the valuation made by the State veterinarian, his assistant or deputy, with the approval of the board of agriculture; otherwise, it shall be paid by the department.

When the amount of indemnification has been agreed to or decided by the board of appraisers, the owner shall present to the State comptroller a claim against the State therefor. A warrant for the payment of such claim shall be issued upon vouchers approved by the chairman of the board and supported by the inspector's report."

**SECTION 3.** There is appropriated the sum of \$25,000, or so much thereof as may be necessary to effectuate the purpose of this Act.

**SECTION 4.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** This Act shall take effect on July 1, 1969.

(Approved July 8, 1969.)

**ACT 166**

H. B. NO. 776

A Bill for an Act Relating to the University of Hawaii.

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

**SECTION 1.** Purpose. Section 305-3 of the Hawaii Revised Statutes provides that: "No community college shall be established on the island of Hawaii nor shall the university assume responsibility for public technical education programs now conducted by the department of education on the island of Hawaii." This provision prohibits the transfer of programs now conducted by the department of education on the island of Hawaii as well as facilities therefor to the University of Hawaii, and the establishment of any community college on

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the island. The repeal of this provision would remove this prohibition in the best interest of the public, including the inhabitants of the island of Hawaii.

**SECTION 2.** Section 305-3 of the Hawaii Revised Statutes is hereby repealed.

**SECTION 3.** The administration of Hawaii Technical School shall be transferred from the Department of Education to the University of Hawaii on July 1, 1969.

All officers and employees whose programs are transferred by this Act shall be transferred with their programs to the University of Hawaii and shall continue to perform their regular duties upon their transfer.

No employee of the State having tenure shall suffer any loss of salary, seniority, prior service credit, vacation, sick leave or other employee benefit or privilege as a consequence of this Act; provided that subsequent changes in status may be made pursuant to the laws of the State and the provisions of this Act.

Upon the transfer of programs as provided by this Act, all facilities, improvements, records, equipment, files, supplies, contracts, books, papers, documents, maps, appropriations and other property theretofore made, used, acquired or held by the department of education for the administration and operation of Hawaii Technical School shall be transferred to the University of Hawaii.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 8, 1969.)

## **ACT 167**

S. B. NO. 10

A Bill for an Act Relating to the Regulation of Solicitation of Funds from the Public.

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

**SECTION 1.** The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

### **“CHAPTER**

### **SOLICITATION OF FUNDS FROM THE PUBLIC**

**Section -1. Definitions.** As used in this chapter, unless the context otherwise requires:

(1) ‘Charitable organization’ means any benevolent, philanthropic, patriotic, or eleemosynary person or one purporting to be such which solicits and collects funds for charitable purposes and includes each county, or other local division within this State of such charitable organization, provided such county division has authority and discretion to disburse funds or property otherwise than by transfer to any parent organization.

(2) ‘Charitable purpose’ means any benevolent, philanthropic, patriotic,

or eleemosynary purpose.

(3) 'Contribution' means the promise or grant of any money or property of any kind or value, including the promise to pay, except payments by members of a charitable organization for membership fees, dues, fines, or assessments, or for services rendered to individual members, if membership in such charitable organization confers a bona fide right, privilege, professional standing, honor or other direct benefit, other than the right to vote, elect officers, or hold offices, and except money or property received from any governmental authority.

(4) 'Department' means department of regulatory agencies of the State.

(5) 'Director' means the director of regulatory agencies of the State.

(6) 'Federated fund-raising organization' means a federation of independent charitable organizations which have voluntarily joined together, including but not limited to a United Fund or Community Chest, for purposes of raising and distributing money for and among themselves and where membership does not confer operating authority and control of the individual agencies upon the federated group organization.

(7) 'Membership' means membership in a charitable organization which provides services and confers a bona fide right, privilege, professional standing, honor or other direct benefit upon its members, in addition to the right to vote, elect officers or hold offices, upon the payment of fees, dues, assessments, etc. It does not include those persons who are granted a membership upon making a contribution as a result of solicitation.

(8) 'Parent organization' means that part of a charitable organization which coordinates, supervises or exercises control over policy, fund raising, and expenditures, or assists or advises one or more chapters, branches or affiliates in the State.

(9) 'Person' means any individual, organization, trust, foundation, group, association, partnership, corporation, society, or any combination of them.

(10) 'Professional fund-raising counsel' means any person who for a flat fixed fee plans, conducts, manages, carries on, advises or acts as a consultant, whether directly or indirectly, in connection with soliciting contributions for, or on behalf of any charitable organization, but who actually solicits no contributions as a part of his services. It does not include a bona fide salaried officer or employee of a charitable organization maintaining a permanent establishment within the State.

(11) 'Professional solicitor' means any person who, for a financial or other consideration, solicits contributions for, or on behalf of a charitable organization, whether such solicitation is performed personally or through his agents, servants or employees or through agents, servants or employees specially employed by, or for a charitable organization, who are engaged in the solicitation of contributions under the direction of such person, or a person who plans, conducts, manages, carries on, advises or acts as a consultant to a charitable organization in connection with the solicitation of contributions but does not qualify as a 'professional fund-raising counsel' within the meaning of this chapter. It does not include a bona fide salaried officer or employee of a charitable organization maintaining a permanent establishment within the State and

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also an attorney, investment counselor or banker who advises a person to make a contribution to a charitable organization as part of his employment.

**Section -2. Registration of charitable organizations.** (a) Every charitable organization, except as otherwise provided in this chapter, which intends to solicit contributions within the State, or have funds solicited on its behalf, shall, prior to any solicitation, file a registration statement with the director upon forms prescribed by the director, which shall be valid for one full year and which shall be refiled in the next and each following year in which the charitable organization is engaged in solicitation activities. It shall be the duty of the president, chairman or principal officer or the charitable organization to file the statement required under this chapter. The statement shall be sworn to and shall contain the following information:

- (1) The name of the charitable organization and the purpose for which it was organized.
  - (2) The principal address of the charitable organization and the addresses of any office in the State. If the charitable organization does not maintain an office, the name and address of the person having custody of its financial records.
  - (3) The name and address of any chapter, branch or affiliate in the State.
  - (4) The date and place when the charitable organization was legally established, the form of its organization, and a reference to any determination of its tax-exempt status under the Internal Revenue Code.
  - (5) The name and address of all officers, directors, trustees, and the principal salaries executive staff officer.
  - (6) A copy of a balance sheet and income and expense statement audited by an independent public accountant for the immediately preceding fiscal year, or a copy of a financial statement audited by an independent public accountant covering, in a consolidated report, complete information as to all the preceding year's fund-raising activities of the charitable organization, showing the kind and amount of funds raised, costs and expenses incidental thereto and allocation or disbursement of funds raised.
  - (7) Whether the charitable organization intends to solicit contributions from the public directly or have the solicitation done on its behalf by others.
  - (8) Whether the charitable organization is authorized by any other governmental authority to solicit contributions and whether it is or has ever been enjoined by any court from soliciting contributions.
  - (9) The general purpose for which the contributions to be solicited shall be used.
  - (10) The name under which it intends to solicit contributions.
  - (11) The name of the individual or officer of the charitable organization who will have final responsibility for the custody of the contributions.
  - (12) The name of the individual or officer of the charitable organization responsible for the final distribution of the contributions.
- (b) Each chapter, branch or affiliate, except an independent member agency of a federated fund-raising organization, may separately report the information required by this section, or report the information to its parent or-

ganization which shall furnish the information as to its State affiliates, chapters and branches in a consolidated form to the department.

(c) The registration forms and other documents prescribed by the director shall be signed by an authorized officer, an independent public accountant and by the chief fiscal officer of the charitable organization and shall be verified under oath.

(d) Every charitable organization which submits an independent registration to the department shall pay an annual registration fee of \$10. A parent organization filing on behalf of one or more chapters, branches or affiliates and a federated fund-raising organization filing on behalf of its member agencies shall pay a single annual registration fee for itself and the chapters, branches, affiliates or member agencies included in the registration statement.

**Section -3. Reciprocal agreements.** The director may enter into a reciprocal agreement with the appropriate authority of another state for the purpose of exchanging information with respect to charitable organizations, professional fund-raising counsel and professional solicitors. Pursuant to the agreement, the director may accept information filed by a charitable organization, professional fund-raising counsel or professional solicitor with the appropriate authority of another state in lieu of the information required to be filed in accordance with this chapter, if the information is substantially similar to the information required under this chapter. The director shall also grant exemption from the requirement of filing of annual registration statement to charitable organizations organized under the laws of another state having their principal place of business outside the State, whose funds are derived principally from sources outside the State and which have been granted exemption from the filing of registration statements by the State under whose laws they are organized if the State has a statute similar in substance to this chapter.

**Section -4. Nonresident registration.** Any charitable organization, professional fund raiser, professional solicitor, or resident having its principal place of business without the State or organized under any by virtue of the laws of a foreign state, which solicits contributions from people in this State, shall be deemed to have irrevocably appointed the director as its agent upon whom may be served any summons, subpoena, subpoena duces tecum or other process directed to such charitable organization, or any partner, principal, officer, or director thereof, or to such professional solicitor, in any action or proceeding brought by the attorney general under this chapter. Service of such process upon the director shall be deemed sufficient service; provided that notice of the service and a copy of the process are sent by the attorney general to the charitable organization, professional fund raiser or professional solicitor by registered mail with return receipt requested, at its office as set forth in the registration form required to be filed by this chapter or, in default of the filing of such form, at the last address known to the attorney general. The service of process shall be completed within ten days after the receipt by the attorney general of a return receipt purporting to be signed by the addressee or a person qualified to receive its registered mail or if acceptance was refused by the addressee or its agent, ten days after the return to the attorney general of the orig-

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inal envelope bearing a notation by the postal authorities that receipt thereof was refused.

**Section -5. Records to be kept by charitable organizations, professional fund-raising counsel and professional solicitors.** Every charitable organization subject to this chapter shall, in accordance with the rules and regulations prescribed by the director, keep true and accurate fiscal records as to its activities in the State in the form as will accurately provide the information required by this chapter. Upon demand, the records shall be made available to the director or the attorney general for inspection. Such records shall be retained for a period of three years after the end of the period of registration to which they relate.

**Section -6. Filing of agreements.** (a) Every written contract or in the absence of a contract in writing, a written statement of the nature of the arrangement between professional fund-raising counsel and a charitable organization shall be filed with the department within ten days after the contract or written agreement is concluded.

(b) Every written contract or, in the absence of a contract in writing, a written statement of the nature of the arrangement between a professional solicitor and a charitable organization shall be filed with the department within ten days after the contract or arrangement is concluded. If the contract or arrangement with a professional solicitor does not provide for compensation on a percentage basis, the department shall examine the contract to ascertain whether the compensation to be paid in the circumstances is likely to exceed 10 per cent of the total moneys, pledges or other property raised or received as a result of the contract or arrangement; if the reasonable probabilities are that the compensation will exceed 10 per cent of the total moneys, pledges or other property the director shall disapprove the contract or arrangement within ten days after its filing. No registered charitable organization or professional solicitor shall carry out or execute a disapproved contract, or receive or perform services, or receive or make payments, pursuant to a disapproved contract. Any party to a disapproved contract shall, upon written request made within thirty days of the disapproval, be given a hearing before the director within thirty days after such request is filed.

(c) All agreements and arrangements between professional fund-raising counsel or solicitors and charitable organizations shall be reduced to writing before executed or acted upon.

**Section -7. Limitations on amount of payments for solicitation activities.** (a) No charitable organization shall pay or agree to pay to a professional solicitor or his agents, servants or employees a total amount in excess of 10 per cent (including reimbursement for expenses incurred) of the total moneys, pledges or other property raised or received as a result of the solicitation activities or campaigns.

(b) For purposes of this section, the total moneys, funds, pledges or other property raised or received shall not include costs to the charitable organization or professional solicitor of goods sold or service provided to the public in

connection with the soliciting of contributions.

**Section -8. Information filed to become public records.** Registration statements and applications, reports, professional fund-raising counsel contracts or professional solicitor contracts and all other documents and information required to be filed under this chapter or by the director shall become public records in the department, and shall be open to the general public for inspection at the time and under the conditions as the director may prescribe.

**Section -9. Prohibited acts.** (a) No person shall for the purpose of soliciting contributions from persons in the State use the name of any other person except that of an officer, director or trustee of the charitable organization by or for which contributions are solicited, without the written consent of the other persons.

(b) A person shall be deemed to have used the name of another person for the purpose of soliciting contributions if the latter person's name is listed on any stationery, advertisement, brochure or correspondence in or by which a contribution is solicited by or on behalf of a charitable organization or his name is listed or referred to in connection with a request for a contribution as one who has contributed to, sponsored or endorsed the charitable organization or its activities.

(c) No charitable organization or professional fund raiser soliciting contributions shall use a name, symbol, or statement so closely related or similar to that used by another charitable organization or governmental agency that the use thereof would tend to confuse or mislead the public.

(d) No person shall, in connection with the solicitation of contributions for or the sale of goods or services of a person other than a charitable organization, misrepresent or mislead anyone by any manner, means, practice or device whatsoever, to believe that the person on whose behalf the solicitation or sale is being conducted is a charitable organization or that the proceeds of the solicitation or sale will be used for charitable purposes, if that is not the fact.

(e) No professional solicitor shall solicit in the name of or on behalf of any charitable organization unless the solicitor

(1) has written authorization of two officers of such organization, a copy of which shall be filed with the director; the written authorization shall bear the signature of the solicitor and shall expressly state on its face the period for which it is valid, which shall not exceed one year from the date of issuance; and

(2) has the authorization with him when making solicitations and exhibits the same on request to persons solicited or police officers or agents of the department.

(f) No charitable organization, professional fund-raising counsel or professional solicitor subject to this chapter, shall use or exploit the fact of registration so as to lead the public to believe that such registration in any manner constitutes an endorsement or approval by the State of the purposes or goals for the solicitation by the organization; provided that the use of the following statement shall not be deemed a prohibited exploitation: 'Registered with the State of Hawaii department of regulatory agencies as required by law. Registration does not imply endorsement of a public solicitation for contributions.'

**Section -10. Enforcement and penalties.** (a) If any registered charitable organization, professional fund-raising counsel or professional solicitor fails to file any registration application or statement, report or other information required to be filed under this chapter or otherwise violates this chapter, the director shall notify the delinquent charitable organization, professional fund-raising counsel or professional solicitor by mailing a notice by registered or certified mail, with return receipt requested, to its last known address. If the required registration application or statement, annual report or other information is not filed or if the existing violation is not discontinued within two weeks after the formal notification or receipt of the notice, the director may cancel, suspend or refuse to accept the registration or other required information of the delinquent charitable organization, professional fund-raising counsel or professional solicitor.

(b) The director, upon his own motion or upon complaint of any person, may, if he has reasonable ground to suspect a violation, investigate any charitable organization, professional fund-raising counsel or professional solicitor to determine whether the charitable organization, professional fund-raising counsel or professional solicitor has violated this chapter or has filed any application or other information required under this chapter which contains false or misleading statements. If the director after notice and hearing finds that any application or other information contains false or misleading statements, or that a registrant under this chapter has violated this chapter, he may order the registration suspended or cancelled.

(c) The registration of any charitable organization, professional fund-raising counsel or professional solicitor, which knowingly makes a false or misleading statement in any registration application or statement, report or other information required to be filed by the department of this chapter shall, upon notice and hearing, be revoked.

(d) All proceedings under this chapter shall be conducted in accordance with this chapter and all adjudications of the director shall be subject to judicial review as provided therein.

(e) In addition to the foregoing, any person who wilfully and knowingly violates this chapter, or who wilfully and knowingly gives false or incorrect information to the director in filing statements or reports required by this chapter, whether the reports or statements are verified or not, shall for the first offense be fined not less than \$100 nor more than \$500 or imprisoned not more than six months, or both, and for the second and any subsequent offense be fined not less than \$500 nor more than \$1,000, or imprisoned not more than one year, or both.

(f) Whenever the attorney general or any county attorney has reason to believe that any charitable organization, professional fund-raising counsel or professional solicitor is operating in violation of this chapter or has knowingly and wilfully made any false statement in any registration application or statement, report or other information required to be filed by this chapter or whenever a charitable organization, professional fund-raising counsel or professional solicitor fails to file a registration statement required by this chapter, or when-

ever there is employed or is about to be employed in any solicitation or collection of contributions for a charitable organization any device, scheme or artifice to defraud or to obtain money or property by means of any false pretense, representation or promise, or whenever the officers or representatives of any charitable organization, professional fund-raising counsel or professional solicitor have refused or failed after notice to produce any records of the organization, or whenever the funds raised by solicitation activities are not devoted or will not be devoted to the charitable purposes of the charitable organization, in addition to all other actions authorized by law, the attorney general or county attorney may bring an action in the name of the State against the charitable organization and its officers, or professional fund-raising counsel or professional solicitor or any person employing any device, scheme, artifice, false representation or promise, to defraud or obtain money or other property, to enjoin the charitable organization or professional fund-raising counsel or professional solicitor or other person from continuing the violation, solicitation or collection, or engaging therein, or doing any acts in furtherance thereof and for such other relief as the court deems appropriate.

(g) The attorney general or county attorney may exercise the authority granted in this section against any charitable organization which operates under the guise or pretense of being an organization exempted by the provisions of section -12, and is not in fact an organization entitled to such an exemption.

**Section -11. Exemptions.** This chapter shall not apply to:

(a) A corporation sole or other religious corporation, trust or organization incorporated or established for religious purpose, nor to any agency or organization incorporated or established for charitable, hospital or educational purposes and engaged in effectuating one or more of such purposes, that is affiliated with, operated by, or supervised or controlled by a corporation sole or other religious corporation, trust or organization incorporated or established for religious purposes, nor to other religious agencies or organizations which serve religion by the preservation of religious rights and freedom from persecution or prejudice or by fostering religion, including the moral and ethical aspects of a particular religious faith.

(b) Educational institutions that are recognized by the superintendent of education or that are accredited by a regional accrediting association or by an organization affiliated with the national commission on accrediting, any foundation having an established identity with any of the aforementioned educational institutions, any other educational institution confining its solicitation of contributions to its student body, alumni, faculty and trustees, and their families, or a library established under the laws of this State; provided that the annual financial report of the institution or library shall be filed with the superintendent of education, and the director.

(c) Persons requesting contributions for the relief of any individual specified by name at the time of the solicitation when all of the contributions collected without any deductions whatsoever are turned over to the named beneficiary for his use.

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(d) Charitable organizations which do not intend to solicit and receive and do not actually raise or receive contributions from the public in excess of \$2,000 during a calendar year or do not receive contributions from more than ten persons during a calendar year, if all of their functions, including fund-raising activities, are carried on by persons who are unpaid for their services and if no part of the assets or income of the charitable organization inures to the benefit of or is paid to any officer or member thereof. Nevertheless, if the contributions raised from the public, whether all is or is not received by any charitable organization during any calendar year, shall be in excess of \$2,000, it shall, within thirty days after the date of receipt register with the director as required by this chapter.

(e) Hospitals which are nonprofit and charitable and are required by law to file financial reports at least annually with the State; provided that a copy of the annual fiscal report is also filed simultaneously with the director.

(f) Organizations which solicit only within the membership of the charitable organization by the members thereof. The term 'membership' shall not include those persons who are granted a membership upon making a contribution as the result of solicitation.

Any charitable organization claiming to be exempt from the registration provisions of this chapter which is about to or does solicit charitable contributions shall submit annually to the director on forms to be prescribed by the director the name, address and purpose of the organization and a statement setting forth the reason for the claim for exemption. If exempted, the director shall issue annually a letter of exemption which may be exhibited to the public. No registration fee shall be required of any exempt organization.

**Section -12. Registration of professional fund-raising counsel and solicitors.** (a) No person shall act as a professional fund-raising counsel or professional solicitor for a charitable organization subject to the provisions of this chapter, unless he has first registered with the director. An application for registration shall be in writing under oath or affirmation in the form prescribed by the director and contain the information as the director may require. The application for registration by professional fund-raising counsel or professional solicitor shall be accompanied by an annual fee in the sum of \$50. A partnership or corporation which is a professional fund-raising counsel or professional solicitor, may register for and pay a single fee on behalf of all its members, officers, agents and employees. However, the names and addresses of all officers, agents and employees of professional fund-raising counsel and all professional solicitors, their officers, agents, servants or employees employed to work under the direction of a professional solicitor shall be listed in the application.

(b) The applicant shall, at the time of making application, file with and have approved by the director a bond in which the applicant shall be the principal obligor in the sum of \$5,000 issued by a surety company authorized to do business in the State and which shall remain in effect so long as a registration is in effect. The bond shall inure to the benefit of the State in the reimbursement for any losses resulting from malfeasance, nonfeasance or misfeasance in the

conduct of solicitation activities. A partnership or corporation which is a professional fund-raising counsel or professional solicitor may file a consolidated bond on behalf of all its members, officers and employees.

(c) Each registration shall be valid throughout the State for a period of one year and may be renewed for additional one-year periods upon written application under oath in the form prescribed by the director and the payment of the fee prescribed herein.

(d) The director shall examine each application. If he finds the application to be in conformity with all the requirements of this chapter and all relevant rules and regulations and the registrant has complied with all the requirements of this chapter and all relevant rules and regulations, he shall approve the registration. Any applicant who is denied registration may, within fifteen days from the date of notification of the denial, request in writing a hearing before the director."

**SECTION 2.** There is hereby appropriated out of the general revenues of the State of Hawaii, the sum of \$2,000, or so much thereof as may be necessary, for the purposes of this Act.

**SECTION 3.** This Act shall take effect 90 days after the date of its approval.

(Approved July 8, 1969.)

**ACT 168**

S. B. NO. 29

A Bill for an Act Relating to Hawaii Business Development Corporation and Amending Chapter 176A, Revised Laws of Hawaii 1955, as Amended.

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

**SECTION 1.** Item (4) in section 176A-5 of the Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

"(4) except as to financial institutions which are to continue to be subject to the limitations contained in (3) herein, each member of the corporation may acquire, purchase, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of, any bonds, securities or other evidences of indebtedness created by, or the shares of the capital stock of the corporation, and while owners of the stock exercise all the rights, powers and privileges of ownership, including the right to vote thereon, all without the approval of any regulatory authority of the State; provided, that the amount of the capital stock of the corporation which may be acquired by any member pursuant to the authority granted herein shall not exceed fifty percent of the loan limit of such member. The amount of capital stock of the corporation which any member is authorized to acquire pursuant to the authority granted herein is in addition to the amount of capital stock in corporations which such member may otherwise be authorized to acquire."

**SECTION 2.** Section 176A-6 of the Revised Laws of Hawaii 1955, as amended, is amended in the following respects:

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a. By amending paragraph (2) to read as follows:

“(2) The amount of total reserves against losses shall be left to the discretion of the board of directors.”

b. By amending paragraph (3) and subparagraph (a) to read as follows:

“(3) The total amount outstanding on loans to the corporation made by any member at any one time, when added to the amount of the investment in the capital stock of the corporation then held by such member, shall not exceed:

(a) Fifty percent of the total amount then outstanding on loans to the corporation by all members, including in the total amount outstanding, amounts validly called for loan but not yet loaned.”

c. By amending paragraph (4) to read as follows:

“(4) Subject to paragraph (3) (a) of this section, each call made by the corporation shall be prorated among the members of the corporation in substantially the same proportion that the adjusted loan limit of each member bears to the aggregate of the adjusted loan limits of all members. The adjusted loan limit of a member shall be the amount of such member's loan limit, reduced by the balance of outstanding loans made by such member to the corporation.”

SECTION 3. Section 176A-7 of the Revised Laws of Hawaii 1955, is amended as follows:

**“Section 176A-7. Period of membership, withdrawal.** Membership in the corporation shall be for the duration of the corporation, provided that upon written notice given to the corporation one year in advance, a member may withdraw from membership in the corporation at the expiration date of such notice.

A member shall not be obligated to make any loans to the corporation pursuant to calls made subsequent to the withdrawal of the member.”

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 5. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 6. This Act shall take effect upon its approval.

(Approved July 8, 1969.)

\* Edited accordingly

A Bill for an Act Repealing Section 330-22 of the Revised Laws of Hawaii 1955, as Amended, Which Requires the Adult Children of an Indigent Parent to Support Him to the Extent of their Financial Ability.

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

**SECTION 1.** Section 330-22, Revised Laws of Hawaii 1955, as amended, is hereby repealed.

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 8, 1969.)

A Bill for an Act Relating to Real Property Tax Due Dates.

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

**SECTION 1.** Purpose. This Act is to correlate the schedule of functions related to real property tax assessments so that such functions will be performed on a fiscal year basis thereby fully coinciding with the fiscal year of the counties. Presently, the tax year is from July 1 to June 30, but the assessment period is still January 1 to December 31 which is six months ahead of the county fiscal year. Many problems have arisen because of the early assessment period. This Act is for the purpose of eliminating and resolving said problems.

**SECTION 2.** Section 246-3 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding each tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year".

**SECTION 3.** Section 246-4 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding the applicable tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year for which the assessment is made".

**SECTION 4.** Section 246-8 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding the applicable tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year for which the assessment is made".

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**SECTION 5.** Section 246-12(e) of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "September 1" appearing therein and by substituting in lieu thereof the words "March 1".

(b) By deleting the words "December 15" appearing therein and by substituting in lieu thereof the words "June 15".

(c) By deleting the words "January 1" appearing therein and by substituting in lieu thereof the words "July 1".

**SECTION 6.** Section 246-18 of the Hawaii Revised Statutes is amended by deleting the words "January 1" appearing therein and by substituting in lieu thereof the words "July 1".

**SECTION 7.** Section 246-23 of the Hawaii Revised Statutes is amended by deleting the words "December 31" appearing therein and by substituting in lieu thereof the words "June 30".

**SECTION 8.** Section 246-26(a) (2) (c) of the Hawaii Revised Statutes is amended by deleting the words "prior to January 1 of" appearing therein and by substituting in lieu thereof the words "on or before June 30 immediately preceding".

**SECTION 9.** Section 246-27 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding" appearing therein and by substituting in lieu thereof the words "July 1 of".

**SECTION 10.** Section 246-28(b) of the Hawaii Revised Statutes is amended by deleting the words "December 31" appearing therein and by substituting in lieu thereof the words "June 30".

**SECTION 11.** Section 246-28(d) of the Hawaii Revised Statutes is amended by deleting the words "January 1" appearing therein and by substituting in lieu thereof the words "July 1".

**SECTION 12.** Section 246-28(e) of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "January 1" appearing therein and by substituting in lieu thereof the words "July 1".

(b) By deleting the words "March 31" appearing therein and by substituting in lieu thereof the words "September 25".

**SECTION 13.** Section 246-29 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding the tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year".

**SECTION 14.** Section 246-33 of the Hawaii Revised Statutes is amended by deleting the word "January" appearing therein and by substituting in lieu thereof the word "July".

**SECTION 15.** Section 246-34(b) of the Hawaii Revised Statutes is amended as follows:

(a) By deleting the words "September 1" appearing therein and by substi-

tuting in lieu thereof the words "March 1".

(b) By deleting the words "December 15" and by substituting in lieu thereof the words "June 15".

(c) By deleting the word "January" and by substituting in lieu thereof the word "July".

**SECTION 16.** Section 246-36 of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "January 1 preceding any tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year".

(b) By deleting the words "December 31" appearing in paragraphs (3) and (4) and by substituting in lieu thereof the words "June 30".

(c) By deleting the words "December 15" and "December 31" appearing in paragraph (5) and by substituting in lieu thereof the words "June 15" and "June 30" respectively.

**SECTION 17.** Section 246-37 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding any tax year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year".

**SECTION 18.** Section 246-40 of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the word "December" appearing in the first sentence of the first paragraph and by substituting in lieu thereof the word "June".

(b) By deleting the word "January" appearing therein, whether that word is used along or together with a specified date, and by substituting in lieu thereof the word "July".

**SECTION 19.** Section 246-43 of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "On or before March 5 preceding each tax year" appearing in the first paragraph and by substituting in lieu thereof the words "On or before August 31 of the tax year".

(b) By deleting the word "February" appearing in the second paragraph and by substituting in lieu thereof the word "August".

(c) By deleting the words "March 20 preceding the tax year" appearing in the second paragraph and by substituting in lieu thereof the words "August 31 of the tax year".

**SECTION 20.** Section 246-44 of the Hawaii Revised Statutes is amended by deleting the words "April 10 preceding each tax year" and by substituting in lieu thereof the words "September 30 of the tax year".

**SECTION 21.** Section 246-46 of the Hawaii Revised Statutes is amended by deleting the words "March 31 preceding the tax year" appearing therein and by substituting in lieu thereof the words "September 25 of the tax year".

**SECTION 22.** Section 246-48 of the Hawaii Revised Statutes is amended by deleting the billing and payment schedule appearing in the second paragraph and by substituting in lieu thereof the following schedule:

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		<b>Fiscal Year Schedule</b>	
	(Billing Date)	(1st Payment)	(2nd Payment)
Group I	November 5	November 20	May 20
Group II	November 15	November 30	May 30

**SECTION 23.** Section 246-52 of the Hawaii Revised Statutes is amended by deleting the words "January 1 preceding the applicable tax year which" appearing therein and substituting in lieu thereof the words "July 1 of the tax year in which".

**SECTION 24.** Section 246-54(4) of the Hawaii Revised Statutes is amended by deleting the words "December 31" appearing therein and by substituting in lieu thereof the words "June 30".

**SECTION 25.** Section 246-55 of the Hawaii Revised Statutes is amended by deleting the word "January" appearing in the first sentence of the first paragraph and substituting in lieu thereof the word "July".

**SECTION 26.** Section 232-4 of the Hawaii Revised Statutes is amended by deleting the words "March 31 preceding the tax year" appearing therein and by substituting in lieu thereof the words "September 25 of the tax year".

**SECTION 27.** Section 232-7 of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "March 31" appearing in subsection (b) and by substituting in lieu thereof the words "September 25".

(b) By deleting the word "September" appearing in subsection (d) and by substituting in lieu thereof the word "March".

**SECTION 28.** Section 248-2 of the Hawaii Revised Statutes is amended in the following respects:

(a) By deleting the words "June 15 preceding the tax year" appearing in subsection (b) and by substituting in lieu thereof the words "October 26 of the tax year".

(b) By deleting the words "January 1, 1967" appearing in paragraph (2) of subsection (d) and by substituting in lieu thereof the words "July 1, 1969".

(c) By deleting the words "April 20 preceding the tax year" appearing in subsection (f) and by substituting in lieu thereof the words "October 5 of the tax year".

**SECTION 29.** Section 154-2 of the Hawaii Revised Statutes is amended by deleting the words "July 1" appearing therein and by substituting in lieu thereof the words "January 1".

**SECTION 30.** Section 154-3 of the Hawaii Revised Statutes is amended by deleting the words "September 1" appearing therein and by substituting in lieu thereof the words "March 1".

**SECTION 31.** Section 154-5 of the Hawaii Revised Statutes is amended by deleting the words "January 1 of the year" appearing therein and by substituting in lieu thereof the words "July 1 of the tax year" and by deleting the words "December 31 of the year" appearing therein and by substituting in lieu

thereof the words "June 30 of the tax year".

SECTION 32. Section 186-4 of the Hawaii Revised Statutes is amended by deleting the words "September 1" appearing therein and by substituting in lieu thereof the words "March 1" and by deleting the words "November 15" appearing therein and by substituting in lieu thereof the words "May 15".

SECTION 33. Section 186-7 of the Hawaii Revised Statutes is amended by deleting the words "January 1" appearing therein and by substituting in lieu thereof the words "July 1".

SECTION 34. Section 239-3 of the Hawaii Revised Statutes is amended by amending the first sentence to read as follows:

"In order to secure under this chapter an exemption of real property from the taxes imposed by chapter 246, a public utility shall annually file with the tax assessor on or before June 30 preceding the tax year, a return of such property in such form as shall be prescribed by the director, setting forth its claim to the exemption."

SECTION 35. This Act shall take effect on July 1, 1970, except section 28(b) which shall take effect on July 1, 1969.

(Approved July 8, 1969.)

## ACT 171

S. B. NO. 280

A Bill for an Act Relating to the Regulation of Credit Life Insurance and Credit Disability Insurance.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

### **"CHAPTER**

#### **CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE**

**Sec. -1. Purpose; construction.** The purpose of this chapter is to promote the public welfare by regulating credit life insurance and credit disability insurance. Nothing in this chapter is intended to prohibit or discourage reasonable competition. The provisions of this chapter shall be liberally construed.

**Sec. -2. Citation, scope, and definitions.** (a) Citation and scope.

(1) This chapter may be cited as 'The Model Act for the Regulation of Credit Life Insurance and Credit Disability Insurance'.

(2) All life insurance and all disability insurance in connection with loans or other credit transactions shall be subject to this chapter, except such insurance in connection with a loan or other credit transaction of more than ten years' duration; nor shall insurance be subject to this chapter where the issuance of such insurance is an isolated transaction on the part of the insurer

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not related to an agreement or a plan for insuring debtors of the creditor. Nothing in this chapter shall be construed to relieve any person from compliance with any other applicable law.

(b) Definitions. For the purpose of this chapter:

(1) 'Commissioner' means the director of regulatory agencies in his capacity as insurance commissioner;

(2) 'Credit life insurance' means insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transactions;

(3) 'Credit disability insurance' means insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other credit transaction while the debtor is disabled as defined in the policy;

(4) 'Creditor' means the lender of money or vendor or lessor of goods, services, or property, rights or privileges, for which payment is arranged through a credit transaction, or any successor to the right, title, or interest of any such lender, vendor, or lessor, and an affiliate, associate, or subsidiary of any of them or any director, officer, or employee of any of them or any other person in any way associated with any of them;

(5) 'Debtor' means a borrower of money or a purchaser or lessee of goods, services, property, rights or privileges for which payment is arranged through a credit transaction;

(6) 'Indebtedness' means the total amount payable by a debtor to a creditor in connection with a loan or other credit transaction.

**Sec. -3. Forms of credit life insurance and credit disability insurance.** Credit life insurance and credit disability insurance shall be issued only in the following forms:

(1) Individual policies of life insurance issued to debtors on the term plan;

(2) Individual policies of disability insurance issued to debtors on a term plan or disability benefit provisions in individual policies of credit life insurance;

(3) Group policies of life insurance issued to creditors pursuant to section 431-573 providing insurance upon the lives of debtors on the term plan;

(4) Group policies of disability insurance issued to creditors on a term plan insuring debtors or disability benefit provisions in group credit life insurance policies to provide such coverage.

**Sec. -4. Maximum amount of credit life insurance and credit disability insurance.** (a) Credit life insurance. The initial amount of credit life insurance shall not exceed the total amount repayable under the contract of indebtedness and, where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled or actual amount of unpaid indebtedness, whichever is greater. In the case of revolving loan or revolving charge accounts, the insurance shall at no time exceed the unpaid indebtedness.

(b) Credit disability insurance. The total amount of periodic indemnity payable by credit disability insurance in the event of disability, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid in-

stallments of the indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments.

**Sec. -5. Term of credit life and credit disability insurance.** The term of any credit life insurance or credit disability insurance shall, subject to acceptance by the insurer, commence on the date when the debtor becomes obligated to the creditor, except that, where a group policy provides coverage with respect to existing obligations, the insurance on a debtor with respect to the indebtedness shall commence on the effective date of the policy. Where evidence of insurability is required and the evidence is furnished more than thirty days after the date when the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurer determines the evidence to be satisfactory, and in such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of such insurance shall not extend more than fifteen days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor. If the indebtedness is discharged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewed or refinanced indebtedness. In all cases of termination prior to scheduled maturity, a refund shall be paid or credited as provided in section -8.

**Sec. -6. Provisions of policies and certificates of insurance; disclosure to debtors.** (a) All credit life insurance and credit disability insurance subject to this chapter shall be evidenced by an individual policy, or in the case of group insurance by a certificate of insurance, which individual policy or group certificate of insurance shall be delivered to the debtor.

(b) Each individual policy or group certificate of credit life insurance or credit disability insurance or any combination thereof shall, in addition to other requirements of law, set forth the name and home office address of the insurer, the name or names of the debtor or in the case of a certificate under a group policy, the identity by name or otherwise of the debtor, the premium or amount of payment, if any, by the debtor separately for credit life insurance and credit disability insurance, a description of the coverage including the amount and term thereof, and any exceptions, limitations, and restrictions, and shall state that the benefits shall be paid to the creditor to reduce or extinguish the unpaid indebtedness and, wherever the amount of insurance may exceed the unpaid indebtedness, that any such excess shall be payable to a beneficiary, other than the creditor, named by the debtor or to his estate.

(c) Notwithstanding subsection (b), a certificate issued under a group policy where the debtor obligated himself to pay the insurance premium or payment periodically with the debt payments on the decreasing amount of the insurance or where the indebtedness is a revolving loan or revolving charge account, the rate of insurance premium or payment per unit of coverage may be set forth instead of the premium or amount of payment, if any, by the debtor.

(d) Each such individual policy or group certificate of insurance shall be

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delivered to the insured debtor at the time the indebtedness is incurred except as hereinafter provided.

(e) If an individual policy or group certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for the policy or a notice of proposed insurance, signed by the debtor and setting forth the name and home office address of the insurer, the name or names of the debtor, the premium or amount of payment by the debtor, if any, separately for credit life insurance and credit disability insurance, the amount, term, and a brief description of the coverage provided, shall be delivered to the debtor at the time the indebtedness is incurred. The copy of the application for, or notice of proposed insurance, shall also refer exclusively to insurance coverage and shall be separate and apart from the loan, sale, or other credit statement of account, instrument, or agreement, unless the information required by this subsection is prominently set forth therein. Upon acceptance of the insurance by the insurer and within thirty days of the date upon which the indebtedness is incurred, the insurer shall cause the individual policy or group certificate of insurance to be delivered to the debtor. The application or notice of proposed insurance shall state that upon acceptance by the insurer, the insurance shall become effective as provided in section -5.

(f) If the named insurer does not accept the risk, the debtor shall receive a policy or certificate of insurance setting forth the name and home office address of the substituted insurer and the amount of the premium to be charged, and if the amount of premium is less than that set forth in the notice of proposed insurance, an appropriate refund shall be made.

**Sec. -7. Filing, approval and withdrawal of forms and premium rates.** (a) All policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements, and riders delivered or issued for delivery in this State and the schedules of premium rates pertaining thereto shall be filed with the commissioner for approval. Forms and rates so filed shall be approved at the expiration of thirty days after filing, unless earlier approved or disapproved by the commissioner. The commissioner by written notice to the insurer may, within the thirty-day period, extend the period for approval or disapproval for an additional thirty days.

(b) The commissioner shall, within the waiting period or any extension thereof after the filing of any such policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements, and riders and premium rates, disapprove any such form or any premium rates if the benefits provided are not reasonable in relation to the premium charge, or if the form contains provisions which are unjust, unfair, inequitable, misleading, deceptive, or encourage misrepresentation of the coverage, or are contrary to any provision of chapter 431, or of any rule or regulation promulgated thereunder.

(c) The benefits provided by any such policy form shall not be deemed reasonable in relation to the premium charge or to be charged if the ratio of losses incurred to premiums earned is not at least fifty per cent or may not reasonably be expected to be at least fifty per cent. In the determination of the reasonableness of the relation of benefits and premiums consistent with a fifty

per cent loss ratio, the commissioner may establish a common authorized premium rate for similar or substantial similar coverage by class of creditor. The commissioner may approve a higher rate than such common rate where a creditor's experience under a specific policy form reasonably indicates an ultimate loss ratio higher than fifty per cent, but the commissioner shall limit the use of such higher rate to those creditors whose experience was the basis of the approval of such higher rates. The commissioner shall require insurers to file such information as he deems necessary to determine that this standard is met each two years, or more often in his discretion, on forms recommended by the national association of insurance commissioners for that purpose. Upon giving such notice as is required by law, the commissioner may withdraw approval of any such form including the rate set forth therein, on the ground that a reasonable relation of benefits to premiums no longer exists or may approve a higher or lower rate if justified by experience.

The commissioner shall promulgate a rate that shall be deemed acceptable as satisfying this standard without any actuarial or statistical filing; provided that for a one-year period, or for such longer period as the commissioner feels is required to produce credible mortality and morbidity data, a creditor may make an identifiable charge to a debtor not to exceed the following:

(1) Life: (declining balance term) 75 cents per year per \$100 of initial insured indebtedness to be paid in equal installments over a one-year period. If premiums or identifiable charges are calculated on other than an advance single premium basis, they shall not exceed the actuarial equivalent of the foregoing.

If premiums are payable on other than a single premium basis, they shall not exceed the substantial actuarial equivalent of the foregoing 75 cent rate.

Premiums and premium rates for insurance covering obligations payable in other than substantially equal monthly installments during the period of coverage shall be determined in a manner resulting in a rate not exceeding the substantial actuarial equivalent of the foregoing 75 cent rate.

(2) Disability: The disability rates as set forth below shall be the maximum rates applicable to policies which exclude disabilities resulting from intentional self-inflicted injury, pregnancy, foreign residence, flights in non-scheduled aircraft, and pre-existing illness, disease, or physical condition for which the debtor received or was professionally advised to obtain, medical advice, consultation, or treatment during the six-month period preceding the effective date of the debtor's coverage. Premiums or identifiable charges for maturities or waiting periods other than those shown below, which shall be the maxima, must be actuarially consistent with those shown.

No. of  
Months in Which

Indebtedness is Repayable	Non-Retroactive Benefits			Retroactive Benefits		
	30-day	14-day	7-day	30-day	14-day	7-day
0-12	.80	1.50	2.30	1.70	2.20	3.00
13-24	1.60	2.00	3.20	2.50	3.00	4.00
25-36	2.30	2.50	4.15	3.30	3.80	5.00
37-48	2.90	3.00	4.70	3.80	4.30	6.00
49-60	3.30	3.50	5.15	4.30	4.70	7.00

## ACT 171

A credit insurance policy issued under the above life and disability may exclude from the classes eligible for insurance, classes of debtors determined by age and provide for the cessation of insurance or reduction in the amount of insurance upon attainment of specified ages.

In order to determine whether or not the benefits provided in a particular policy form submitted by an insurer are reasonable in relation to the premium charge for the policy and to facilitate the submission and approval of policy forms and premium rates to be used in connection therewith, the commissioner shall give full consideration and make reasonable allowances for mortality cost or morbidity cost and other relevant factors and trends. Any such changed maximum rate of premium or identifiable charge shall not affect any insurance then in force on debtors.

(d) After the one-year period, or such longer period deemed necessary by the commissioner as provided in subsection (c), the commissioner shall by regulation establish prima facie acceptable premium rates, except as set forth below, which shall be usable without statistical justification when filed together with an otherwise acceptable policy form submission. The rates shall produce or shall reasonably be expected to produce a ratio of losses incurred to premiums earned of at least fifty per cent. The regulation shall specify the plans of benefits to which the premium rates apply.

(e) The commissioner shall approve deviations to rates higher than the prima facie acceptable rates upon filing of reasonable evidence that loss experience for a creditor or a class of creditors exceeds the average loss experience used to determine the established rate and shall base his determination on the fifty per cent loss ratio standard, except where the deviated rate exceeds 75 cents per \$100 initial insurance per year for reducing term credit life insurance and its actuarial equivalent for other forms of credit life insurance, a reasonable variance from the fifty per cent loss ratio standard may be required. Such deviation may be limited to the debtors or creditors whose experience was the statistical basis for the filing.

(f) Credit life insurance policies for which premium rates vary by individual ages or by age brackets shall be filed as provided in this section and the commissioner shall approve or disapprove such filings in accordance with the fifty per cent loss ratio standard and the other applicable provisions of law.

(g) If the commissioner notifies the insurer that the form or premium rate is disapproved, it shall be unlawful thereafter for the insurer to issue or use the form or premium rate. In the notice the commissioner shall specify the reason for his disapproval and state that a hearing will be granted within twenty days after request in writing by the insurer. No such policy, certificate of insurance, notice of proposed insurance, nor any application, endorsement, or rider or premium rate, shall be issued or used until the expiration of thirty days after it has been so filed, unless the commissioner gives his prior written approval.

(h) The commissioner may, at any time after a hearing held not less than twenty days after written notice to the insurer, withdraw his approval of any such form or premium rate or any ground set forth in subsection (b). The writ-

ten notice of the hearing shall state the reason for the proposed withdrawal.

(i) It shall be unlawful for the insurer to issue or use forms or premium rates after the effective date of their withdrawal.

(j) If a group policy of credit life insurance or credit disability insurance (1) has been delivered in this State before the effective date of this chapter, or (2) has been or is delivered in another state before or after the effective date of this chapter, the insurer shall be required to file only the group certificate and notice of proposed insurance delivered or issued for delivery in this State as specified in subsections (b) and (e) of section -6 and these forms shall be approved by the commissioner if (1) they conform with the requirements specified in said subsections; (2) they are accompanied by a certification in a form satisfactory to the commissioner that the substance of the forms are in substantial conformity with the master policy; and (3) the schedules of premium rates applicable to the insurance evidenced by the certificate or notice are not in excess of the insurer's schedules of premium rates filed with and approved by the commissioner; provided the premium rate in effect on existing group policies may be continued until the first policy anniversary date following the effective date of this chapter.

(k) Any order or final determination of the commissioner under this section shall be subject to chapter 91.

**Sec. -8. Premiums and refunds.** (a) Any insurer may revise its schedules of premium rates from time to time, and shall file the revised schedules for approval with the commissioner. No insurer shall issue any credit life insurance policy or credit disability insurance policy for which the premium rate exceeds that determined by the schedules of the insurer as then on file with and approved by the commissioner.

(b) Each individual policy, group certificate, or notice of proposed insurance shall provide that in the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the debtor for the insurance shall be paid or credited promptly to the person entitled thereto; provided that the commissioner by rules and regulations shall prescribe a minimum refund and no refund which would be less than the minimum need be made. The formula to be used in computing the refund shall be filed with and approved by the commissioner.

(c) If a creditor requires a debtor to make any payment for credit life insurance or credit disability insurance and an individual policy or group certificate of insurance is not issued, the creditor shall immediately give written notice to the debtor and shall promptly make an appropriate credit to the next payment due on the account.

(d) The amount charged to a debtor for any credit life or credit disability insurance shall not exceed the premium rates filed with and approved by the commissioner for the coverage provided or the premium charged by the insurer, as computed at the time the charge to the debtor is determined, whichever is less.

(e) Nothing in this chapter shall be construed to authorize any payments for insurance now prohibited under any statute, or rule thereunder, governing credit transactions.

**Sec. -9. Issuance of policies.** (a) All policies of credit life insurance and credit disability insurance shall be delivered or issued for delivery in this State only by an admitted insurer and shall be issued only through holders of certificates, licenses, or authorizations issued by the commissioner.

(b) The enrolling of debtors under a group creditor policy and the issuance of certificates of insurance pursuant thereto or the issuing of individual policies by a creditor shall not be considered a sale or solicitation of insurance or the transaction of an insurance business. A limited license issued under section 431-379 shall be required for such acts. An agent's or broker's license shall not be required.

**Sec. -10. Claims.** (a) All claims shall be promptly reported to the insurer or its designated claim representative, and the insurer shall maintain adequate claim files. All claims shall be settled as soon as possible and in accordance with the terms of the insurance contract.

(b) All claims shall be paid either by draft drawn upon the insurer or by check of the insurer to the order of the claimant to whom payment of the claim is due pursuant to the policy provisions, or upon direction of the claimant to one specified.

(c) No plan or arrangement shall be used whereby any person, firm, or corporation other than the insurer or its designated claim representative shall be authorized to settle or adjust claims. The creditor shall not be designated as claims representative for the insurer in adjusting claims; provided that a group policyholder may, by arrangement with the group insurer, draw drafts or checks in payment of claims due to the group policyholder subject to audit and review by the insurer.

**Sec. -11. Existing insurance; choice of insurer.** When credit life insurance or credit disability insurance is required as additional security for any indebtedness, the creditor shall give the debtor written notice that he is free to procure the required insurance from any insurance company authorized to transact an insurance business in the State.

**Sec. -12. Enforcement.** The commissioner may, after notice and hearing and as provided in chapter 91, issue such rules and regulations as he deems appropriate for the supervision of this chapter. Whenever the commissioner finds that there has been a violation of this chapter or of any rules or regulations issued pursuant thereto, and after written notice thereof and hearing given to the insurer or other person authorized or licensed by the commissioner, he shall set forth the details of his findings together with an order for compliance by a specified date. The order shall be binding on the insurer and any other person authorized or licensed by the commissioner on the date specified unless sooner withdrawn by the commissioner or a stay thereof has been ordered by a court of competent jurisdiction.

In all proceedings before him, the commissioner shall have the same powers with respect to administering oaths, compelling the attendance of witnesses and the production of documentary evidence, and examining witnesses

as are possessed by circuit judges at chambers. In cases of disobedience by any person of any order of the commissioner or of any subpoena issued by him or the refusal of any witness to testify to any matter regarding which he may be questioned lawfully, any circuit judge, on application by the commissioner, shall compel obedience as in the case of disobedience of the requirements of a subpoena issued by a circuit court or a refusal to testify therein.

Sections -5, -6, -7, and -8 shall not be operative until ninety days after the effective date of this chapter.

**Sec. -13. Penalties.** In addition to any other penalty provided by law, any person, firm, or corporation which violates an order of the commissioner after it has become final, and while the order is in effect, shall, upon proof thereof to the satisfaction of the court, forfeit and pay to this State a sum not to exceed \$250 which may be recovered in a civil action, except that if the violation is found to be wilful, the amount of the penalty shall be a sum not to exceed \$1,000. The commissioner, in his discretion, may revoke or suspend the license or certificate of authority of the person, firm, or corporation guilty of the violation. An order for suspension or revocation shall be upon notice and hearing, and shall be subject to judicial review."

**SECTION 2.** Section 479-1, Hawaii Revised Statutes, is amended by deleting therefrom the words "provided that this chapter shall not apply to group insurance under a policy issued to a creditor insuring debtors of the creditor pursuant to section 431-573".

**SECTION 3.** Section 431-379, Hawaii Revised Statutes, is amended by adding a new subsection to be appropriately designated and to read as follows:

"( ) The commissioner may issue a like limited license to creditors for the purposes of enrolling debtors under a group credit life insurance or group credit disability insurance policy, issuing certificates of insurance pursuant thereto, or issuing individual credit life insurance or credit disability insurance policies to debtors."

**SECTION 4.** Subsection 431-582(1), Hawaii Revised Statutes, is amended to read as follows:

"(1) Provisions set forth in sections 431-588 to 431-592 shall not apply to policies issued to a credit union to insure its members, and provisions set forth in sections 431-588 and 431-590 to 431-592 shall not apply to policies issued to a creditor to insure its debtors."

**SECTION 5.** Separability provision. If any provision of this Act, or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of this Act, which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

**SECTION 6.** There is appropriated out of the general revenues of the State the sum of \$10,000 or so much thereof as may be necessary, to be expended by the director of regulatory agencies for actuarial and other services necessary for the purposes of this Act.

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**SECTION 7.** This Act does not affect transactions, or rights, duties, or interests flowing from them, entered into before its effective date.

**SECTION 8.** This Act shall take effect on July 1, 1969.

(Approved July 8, 1969.)

## **ACT 172**

S. B. NO. 665

A Bill for an Act Relating to Civil Service Exemptions.

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

**SECTION 1.** Section 76-16(17) of the Hawaii Revised Statutes is amended to read as follows:

“(17) Positions of first deputies or first assistants of each department head appointed under or in the manner provided in section 6, article IV, of the State Constitution, additional deputies or assistants in charge of the highways, harbors, and airports divisions within the department of transportation, one additional deputy to administer all hospitals within the jurisdiction of the department of health, and an administrative assistant to the superintendent of education;”

**SECTION 2.** This Act shall take effect January 1, 1970.

(Approved July 8, 1969.)

## **ACT 173**

S. B. NO. 1114

A Bill for an Act Relating to Public Welfare.

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

**SECTION 1.** Section 346-27 of the Hawaii Revised Statutes is repealed.

**SECTION 2.** Section 346-28 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 346-28. Transportation.** The director of social services may, in his discretion, authorize the payment of the cost of transporting any person who has insufficient income to provide a subsistence compatible with decency and health from the State, or from one of its subdivisions to another. The cost of the transportation shall not exceed the minimum fare to such point by the least expensive means of transportation available. The director may also furnish the person with sufficient assistance to maintain him with the necessities of life while on his journey.”

**SECTION 3.** The third paragraph of section 346-29 of the Hawaii Revised Statutes is amended to read as follows: In determining the needs of an applicant or recipient for public assistance, the department:

(1) Shall disregard such amounts of earned income as required by the Social Security Act or other federal acts, to receive federal matching funds and

such additional amounts as these acts permit, now or in the future, to be disregarded.

(2) Shall consider only such net income as is actually available for current use on a regular basis, and only current available resources will be considered."

SECTION 4. Section 346-54 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 346-54. Blind persons.** A person shall be eligible for public assistance who:

(1) Is in need and has not sufficient income or other resources to provide a subsistence compatible with decency and health;

(2) Has a central visual acuity which does not exceed 20/200 in the better eye with correcting lenses or the widest diameter of his visual field subtends an angle no greater than twenty degrees."

SECTION 5. Subsection (5) of Section 346-55 of the Hawaii Revised Statutes is repealed.

SECTION 6. Section 346-57 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 346-57. Determination of amount of assistance.** The amount of public assistance granted, including funds received from the federal government, shall not exceed in the case of any applicant and his dependents an amount in excess of that determined upon investigation or by the decision of the department of social services to be compatible with maintaining decency and health, including payments to or on behalf of such persons for medical care. In granting public assistance to a person the department may take into account part or all of the needs of the person's dependents or of those essential to his well-being, provided they also are eligible for public assistance. In the event that the grant has taken into consideration only part of the needs of the other eligible persons the grant shall be without prejudice to a separate grant of assistance to such persons or any of them, as may be proper upon consideration of their remaining needs and in compliance with this chapter.

SECTION 7. Material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 8. This Act shall take effect upon its approval.

(Approved July 8, 1969.)

ACT 174

H. B. NO. 494

A Bill for an Act Relating to the Regulation of Escort Agencies.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

\* Edited accordingly

**"CHAPTER  
ESCORT AGENCIES"**

**Sec. -1. Definitions.** As used in this chapter:

(1) "Director" means the director of regulatory agencies.

(2) "Escort agency" means any individual, agent, partnership, corporation, or association, engaged in the business of providing escorts or companions for social occasions upon request by an applicant for a fee.

(3) "Applicant" means any person who uses the services of an escort agency to secure an escort or companion for a social occasion for himself.

**Sec. -2. License required.** No person shall engage in the business of an escort agency without a license under this chapter and compliance with the rules and regulations of the director of regulatory agencies.

**Sec. -3. License Fee.** Every escort agency shall pay an annual license fee of \$25.

(1) The fee shall be paid to the director on or before July 1 of each year.

(2) Failure to pay the annual license fee shall constitute a forfeiture of license.

(3) Fees collected by the director shall be deposited in the general fund of the State.

**Sec. -4. Bond.** Each licensed escort agency shall give and keep in force a bond with the director in the penal sum of \$5,000 with good and sufficient surety or sureties approved by the director, conditioned:

(1) That the licensee shall not violate this chapter.

(2) That the licensee shall faithfully, promptly, and truly refund all fees illegally or incorrectly obtained from applicants to the director.

**Sec. -5. Application for license.** Every individual, agent, partnership, corporation, or association seeking a license to operate an escort agency shall file a written application with the director which shall contain such information and shall be in such form as the director may prescribe.

**Sec. -6. Issuance of license.** Upon receipt of an application for a license to conduct an escort agency, the director may order the issuance of the license provided that the application is complete and in proper form.

Every license issued shall be valid only as to the escort agency and premises named therein. The location of an escort agency shall not be changed without the written consent of the director and such change of location shall be endorsed on the license.

The license shall not be transferable except on approval of the director.

**Sec. -7. Termination of license.** Every license to conduct an escort agency shall be valid under the terms set forth in the license. The license shall expire on June 30 of each year.

**Sec. -8. Posting.** Every license to conduct an escort agency together

with a copy of the fee schedule shall be posted in a conspicuous place in the main room of the agency.

**Sec. -9. Records and Reports.** Every escort agency shall keep records and make such reports with respect to the operation of the business as the director by rule or regulation may prescribe. Such records as required by regulation shall be preserved by the agency and kept in the office of the escort agency for a period of at least two years.

**Sec. -10. Fees.** The director shall have the power to make rules and regulations as to the fees that escort agencies may charge. No escort agency shall charge, receive, or attempt to collect any fee in excess of that established by the director.

**Sec. -11. Restitution of illegal fees.** Whenever in the course of an investigation made pursuant to this chapter, it is determined that there has been an illegal collection of fees, the escort agency shall refund the fee illegally collected upon the order of the director or his authorized representative. Failure to refund the fee shall constitute a violation of this chapter subject to the penalties provided herein.

**Sec. -12. Director's rights.** The director and his authorized representatives may enter any office, building, premises, or other place in which an escort agency is operated for the purpose of making investigations for the proper enforcement of this chapter and such rules and regulations as the director may prescribe. No person shall refuse the director or his authorized representative admittance to any such office, building, premises, or other place. The director and his authorized representatives shall for the purpose of examination have access to and the right to copy any book, account, receipt, contract, or other paper or document relating to the business of conducting an escort agency. Every person shall furnish to the director or his authorized representative such information relating to the business of conducting an escort agency. The rights as specified above shall be limited to regular business hours and at such other times as the director feels will be necessary to effectuate the purpose of this chapter.

**Sec. -13. Revocation and cancellation.** Any license may be revoked or canceled for cause at any time by the director after affording all interested parties reasonable opportunity for a fair hearing. Cause means violation of this chapter or rule or regulation of the director.

**Sec. -14. Reconsideration.** In the absence of appeal and within ten days after mailing or delivery of notice of decision made pursuant to sections -6 and -13 to the parties entitled thereto, the director may, for good cause, on his own motion or upon application of any interested party reconsider the decision.

**Sec. -15. Appeals from director's decision.** Any person deeming himself aggrieved by the decision of the director made pursuant to this chapter may appeal from the decision by filing a written notice of appeal to the appropriate circuit court within ten days after mailing or delivery of notice of decision.

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**Sec. -16. Rules and regulations.** The director may make, amend, or repeal such rules and regulations, pursuant to chapter 91, as he may deem proper to effectuate this chapter.

**Sec. -17. Penalties.** Any escort agency which violates this chapter shall be fined not more than \$1,000 or imprisoned not more than six months."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 8, 1969.)

## ACT 175

S. B. NO. 11

A Bill for an Act Relating to the Creation of a Permanent Office of Consumer Protection.

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

SECTION 1. Legislative intent. The public health, welfare and interest require a strong and effective consumer protection program to protect the interests of both the consumer public and the legitimate businessman. Toward this end, a permanent office of consumer protection is created to coordinate the services offered to the consumer by various state and county agencies, together with private organizations, and to aid in the development of preventive and remedial programs affecting the interest of the consumer public.

Section 2. Office of Consumer Protection; Director. There is hereby created within the office of the governor, an office of consumer protection. The head of this office shall be the director of the office of consumer protection. He shall have been admitted to practice law before the Supreme Court of this State and shall be appointed by the governor without regard to chapters 76 and 77.

SECTION 3. Personnel. The director may appoint as staff members persons who have been admitted to practice law before the Supreme Court of this State without regard to chapters 76 and 77. All other employees shall be appointed by the director in accordance with chapters 76 and 77.

SECTION 4. Salaries; benefits. The director of the office of consumer protection shall receive a salary of \$25,000. The director and attorney staff members shall be entitled to participate in any employee benefit plan.

SECTION 5. General functions, powers and duties of the office. The director of the office of consumer protection is hereby designated the consumer counsel for the State and shall represent and protect the State, the respective counties, and the general public as consumers. The office of consumer protection shall have the following functions, powers and duties.

(1) to coordinate the consumer protection activities of all departments, divisions and branches of state government, and of branches of the county government concerned with consumer protection;

(2) to assist, advise and cooperate with federal, state and local agencies and officials to protect and promote the interests of the consumer public;

(3) to conduct investigations, research, studies and analysis of matters and take appropriate action affecting the interests of consumers;

(4) to study the operation of laws affecting consumers and to recommend to the governor and the Legislature, new laws and amendments of laws in the consumers' interest;

(5) to investigate reported or suspected violations of laws enacted, and rules and regulations promulgated for the purpose of consumer protection and shall enforce such laws, rules and regulations;

(6) to organize and hold conferences on problems affecting consumers; and to undertake activities to encourage business and industry to maintain high standards of honesty, fair business practices, and public responsibility in the production, promotion and sale of consumer goods and services;

(7) to provide a central clearing house of information by collecting and compiling all consumer complaints and inquiries;

(8) to organize, promote and conduct consumer education programs within the State;

(9) to appear before governmental commissions, departments and agencies to represent and be heard on behalf of consumers' interest;

(10) to perform such other acts as may be incidental to the exercise of the functions, powers and duties set forth in this section.

**SECTION 6.** Consumer advisory council. There shall be a consumer advisory council consisting of eleven members who shall be appointed by the governor and serve at his pleasure. There shall be at least one member from each of the counties of the State. The chairman of the council shall be selected by the members. Each member shall serve without pay and shall be reimbursed for necessary expenses incurred while attending meetings and while in the discharge of his responsibilities. The council shall assist the office of the consumer protection in an advisory capacity in carrying out the duties and functions of the office.

**SECTION 7.** Cooperation with office of consumer protection. Each department, agency, officer and employee of the State and of the counties shall cooperate with and assist the office of consumer protection in the performance of the functions, powers and duties of the office.

**SECTION 8.** Powers and duties of other departments and agencies. Nothing contained in this Act shall be deemed to delegate or detract in any way from the functions, powers and duties prescribed by law for any other department or agency of the State, nor to interrupt or preclude the direct relationships of any such department or agency or units of county government in the performance of such functions, powers and duties.

**SECTION 9.** Investigations. The director may, in the course of his investigations, issue subpoenas to any individual or to any director, officer, employee, or agent of any business organization within the State, conduct hearings in aid of any investigation or inquiry, and may prescribe such forms and pro-

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mulgate such rules and regulations as may be necessary in the interest of the consumer public.

**SECTION 10.** Investigators, appointment and powers. The director shall appoint and commission one or more investigators as the exigencies of the public service may require. Persons appointed and commissioned under this section shall have and may exercise all the powers and authority of a police officer or of a deputy sheriff.

**SECTION 11.** Educational Specialist and Secretary. The incumbent consumer education specialist and the incumbent secretary shall become civil service employees without the loss of seniority, prior service credit, vacation, sick leave, or other employee benefits and privileges and without the necessity of examination; provided that subsequent changes in status may be made pursuant to chapters 76 and 77.

**SECTION 12.** Section 26-7, Hawaii Revised Statutes is amended by deleting the third paragraph of that section.

**SECTION 13.** Section 28-1, Hawaii Revised Statutes is amended to read as follows:

**"Sec. 28-1. Appears for State.** Except in those cases where the director of the office of consumer protection represents the State, the respective counties, and the general public as consumers, the attorney general shall appear for the State personally or by deputy, in all the courts of record, in all cases criminal or civil in which the State may be a party, or be interested, and may in like manner appear in the district courts in such cases."

**SECTION 14.** Appropriation. There is hereby appropriated out of the general revenues of the State of Hawaii, the sum of \$132,800 (10) or so much thereof as may be necessary, for the purpose of this Act to be expended by the director. The maximum number of positions authorized during the fiscal year 1969-70 is the number stated in the parenthesis after the appropriation.

**SECTION 15.** Effective date. This Act shall take effect upon its approval.

(Approved July 8, 1969.)

**ACT 176**

H. B. NO. 487

A Bill for an Act Amending Chapter 22B, Revised Laws of Hawaii 1955, as Amended, Relating to Weights and Measures and Uniform Packaging and Labeling.

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

**SECTION 1.** The title of chapter 22B is amended to read:

**"WEIGHTS AND MEASURES**

**AND UNIFORM PACKAGING AND LABELING."**

**SECTION 2.** Section 22B-1, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-1. Definitions.** As used in this chapter unless the context otherwise requires:

(1) 'Advertising' means and includes all publicity, mass media, signs, banners, posters, placards, labels, streamers, marks, brands, grades, descriptions or displays.

(2) 'Commodity in package form' means a weight or measure of a commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of an auxiliary shipping container enclosing packages that individually conform to the requirements of this chapter. An individual item or lot of any commodity not in package form as defined in this section, but on which there is marked a selling price based on an established price per unit of weight or of measure, is a commodity in package form.

(3) 'Consumer package' means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.

(4) 'Director' and 'deputy director' mean, respectively, the State director of weights and measures and the State deputy director of weights and measures.

(5) 'Inspector' means any qualified State officer or employee designated by the director as an inspector of weights and measures.

(6) 'Intrastate commerce' means any and all commerce or trade begun, carried on, and completed wholly within the limits of the State.

(7) 'Introduced into intrastate commerce' means the time and place at which the first sale and delivery of a commodity is made within the State, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.

(8) 'Label' means any written, printed or graphic matter affixed to, applied to, attached to, blown into, formed, molded into, embossed on, or appearing upon or adjacent to a consumer package containing any consumer commodity, for purposes of branding, identifying, or giving any information with respect to the commodity or to the contents of the package.

(9) 'Nonconsumer package' means any commodity in package form other than a consumer package, and particularly a package designed solely for industrial or institutional use or for wholesale distribution only.

(10) 'Package' means any container or wrapper enclosing any commodity for sale, delivery or display, but does not include shipping containers or wrappings used solely for the transportation of that commodity.

(11) 'Sell' and 'sale' include barter and exchange.

(12) 'Standard test' or 'standard method' means tests or methods conducted or prescribed in accordance with the published standards of: United States of America Standards Institute, American Society for Testing Materials,

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or the National Bureau of Standards or any test or method prescribed in this chapter or in accordance with regulations promulgated pursuant thereto.

(13) 'State' means the State of Hawaii.

(14) 'Weight certificate' means a certificate of quantity issued in compliance with this chapter and shall include certificates of weight, measure or count, and shall be *prima facie* evidence of the accuracy of the amount shown.

(15) 'Weights and measures' mean all weights and measures of every kind, instruments and devices for weighing and measuring, and any appliances and accessories associated with any or all such instruments and devices.

SECTION 3. Section 22B-2, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-2. Systems of weights and measures.** The United States customary system of weights and measures and the metric system of weights and measures are jointly recognized, and either one or both of these systems shall be used for all commercial purposes in the State. The definitions of basic units of weight and measure, the tables of weight and measure, and weights and measures equivalents, the specifications, tolerances and other technical requirements for commercial weighing and measuring devices, as published by the National Bureau of Standards, are recognized and shall govern weighing and measuring equipment and transactions in the State."

SECTION 4. Section 22B-3, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-3. Nonapplicability.** This chapter shall not apply to electric, gas, and water meters, and shall be construed not to apply to such meters or to any appliances or accessories associated therewith."

SECTION 5. Section 22B-4, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-4. State standards of weights and measures.** The State standards of weights and measures shall be in conformity with the standards of weights and measures of the United States. They shall have been calibrated for such use by the National Bureau of Standards. They shall be maintained in such calibration, as is now or may hereafter be prescribed by that bureau, by and within the laboratory of the State division of weights and measures. They shall not be removed from that laboratory except upon request of the National Bureau of Standards for calibration audit provided that they may be relocated for the convenience of the State by directive of the governor."

SECTION 6. Section 22B-5, Revised Laws of Hawaii 1955, as amended, is deleted in its entirety and the following substituted therefor:

**"Section 22B-5. Secondary standards and equipment.** The State shall supply secondary standards and such other equipment as is necessary to carry out the provisions of this chapter. These standards shall be verified, by comparison with the State standards, upon their initial receipt and at least once each year thereafter."

SECTION 7. Section 22B-9, Revised Laws of Hawaii 1955, as amended, is deleted in its entirety and the following substituted therefor:

**"Section 22B-9. Specific powers and duties of directors; regulations.**

The director shall issue from time to time reasonable regulations for the enforcement of this chapter. These regulations shall have the force and effect of law and shall govern the use or application of weights and measures and weights and measures transactions in the State. The regulations may include: (1) standards of net weight, measure, or count, and reasonable standards of fill for any commodity in package form, (2) rules governing the technical and reporting procedures to be followed, and the report and record forms and marks of approval and rejection to be used, by inspectors of weights and measures in the discharge of their official duties, (3) exemptions from the sealing, labeling or marking requirements of this chapter, (4) rules governing the voluntary registration of servicemen and service agencies, (5) schedules and fees for licensing commercial weighing and measuring devices for testing or certification, and (6) rules to assure that amounts of commodities or services sold are determined in accordance with good commercial practice and are so determined and represented as to be accurate and informative to all parties at interest. These regulations shall include specifications, tolerances and other technical requirements designed to eliminate from use those weights and measures, (7) that are not accurate, (8) that are of such construction that they are faulty, that is, that are not reasonably permanent in their adjustment or will not repeat their indications correctly, or (9) that facilitates the perpetration of fraud. The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices as recommended and published by the National Bureau of Standards, together with regulations issued by the director under authority of this chapter, shall be the specifications, tolerances, and other technical requirements for weights and measures of the State. The director may pursuant to chapter 6C adopt, in whole or in part, any amendment or supplement to the National Bureau of Standards publication or any subsequent similar publication by such bureau. For the purpose of this chapter, a weight or measure is 'correct' when it conforms to all applicable sections of this chapter or to such regulations promulgated pursuant thereto; all other weights and measures are 'incorrect'."

SECTION 8. Section 22B-11, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-11. General testing.** Unless otherwise provided by law, the director shall inspect and test, to ascertain if they are correct, all weights and measures kept, offered, or exposed for sale. The director may, as often as he deems necessary, inspect and test, to ascertain if they are correct, all weights and measures commercially used (1) in determining the weight, measurement, or count of commodities or things sold, or offered or exposed for sale, on the basis of weight, measure, or of count; (2) in computing the basic charge or payment for services rendered on the basis of weight, measure, or of count; provided, that in compliance with a regulation of the director, tests may be made

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on representative samples of such devices, and the lots of which samples are representative shall be held to be correct or incorrect upon the basis of the results of the inspections and tests on such samples; or (3) in determining weight or measurement when a charge is made for such determination; provided, that with respect to single-service devices designed to be used commercially only once and to be then discarded or with respect to devices uniformly mass-produced, as by means of a mold or die, and not susceptible of individual adjustment, the inspection and testing of each individual device shall not be required and the inspecting and testing requirements of this section will be satisfied when inspections and tests are made on representative samples of such devices, and the lots of which samples are representative shall be held to be correct or incorrect upon the basis of the results of the inspections and tests on such samples.

SECTION 9. Section 22B-13, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**“Section 22B-13. Inspection of packages.** The director shall weigh or measure and inspect packages or amounts of commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether the same contain the amounts represented and whether they be kept, offered, or exposed for sale or sold in accordance with law. When such packages or amounts of commodities are found not to contain the amounts represented, or are found to be kept, offered, or exposed for sale in violation of law, the director may order them off sale and may mark or tag them to show them to be illegal. The director may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on the basis of the result obtained on a sample selected from and representative of such lot. No person shall (1) sell, or keep, offer or expose for sale, in intrastate commerce, any package or amount of commodity in package form unless, or in the case where a package or amount of commodity in package form has been ordered off sale or marked or tagged as provided in this section unless and until such package or amount of commodity in package form is or has been brought into full compliance with all legal requirements, or (2) dispose of any package or amount of commodity in package form that has been ordered off sale or marked or tagged as provided in this section and that has subsequently been brought into full compliance with all legal requirements, until written authorization for such disposal has been issued by the director; provided that nothing in this section shall prohibit the director from authorizing disposal under sub-paragraph (2) of this section or section 22B-15, when, in his discretion, the best interest of the public will be served by such authorization.”

SECTION 10. Section 22B-15, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**“Section 22B-15. Disposition of correct and incorrect apparatus.** The director shall approve for use, and seal or mark with appropriate devices, such weights and measures as he finds upon inspection and test to be ‘correct’ as defined in section 22B-9, and shall reject and mark or tag as ‘rejected’ such

weights and measures as he finds, upon inspection or test, to be 'incorrect' as defined in section 22B-9; provided, that such sealing or marking shall not be required with respect to such weights and measures as may be exempted therefrom by a regulation of the director issued under the authority of section 22B-9. Weights and measures that have been rejected may be confiscated and may be destroyed by the director if not corrected as required by section 22B-18, or if used or disposed of contrary to the requirements of section 22B-18. In carrying out this section, the director may use such terms as 'rejected,' 'accepted,' 'incorrect,' 'correct,' 'inaccurate,' 'accurate,' 'tested,' 'approved,' 'certified' or terms of similar import on marks or tags or certificates, as necessary, to convey to all interested parties the condition or state of the device or apparatus so marked or tagged. Any such mark or tag shall be subject to section 22B-9."

SECTION 11. Section 22B-16, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

**"Section 22B-16. Enforcement; summons or citation; penalty; right of entry and inspection; stopping vehicles.** The director and any authorized inspector may, upon arresting any person for violation of this chapter, including any rules and regulations promulgated thereunder, take the name, address, and any other pertinent information of such person and issue to him a summons and citation, printed in the form hereinafter described, summoning him to appear and answer to the charge against him at a certain place and at a time within seven days after such arrest.

There shall be a form of summons or citation for use in citing violators of this chapter and the rules and regulations promulgated by the director which do not mandate the physical arrest of such violators. Said summons or citation shall be printed in a form commensurate with the form of other summons or citation used in modern methods of arrest and shall be designed to include all necessary information. The form and contents of the summons or citation shall be as adopted or prescribed by the district courts.

In every case when a summons or citation is issued the original of the same shall be given to the violator; provided, that the district courts may prescribe the issuance to the violator of a carbon copy of the summons or citation and provide for the disposition of the original and any other copies. Every summons or citation shall be consecutively numbered and each carbon copy shall bear the number of its respective original.

Any person who fails to appear at the place and within the time specified in the summons or citation issued to him shall be fined not more than \$500 or imprisoned not more than six months, or both, regardless of the disposition of the charge of which he was originally arrested.

In the event any person fails to comply with the summons or citation given on such person, or if any person fails or refuses to deposit bail as required and within the time permitted, the arresting officer or employee who issued the citation shall cause a complaint to be entered against such person and secure the issuance of a warrant for his arrest.

The director may seize, without formal warrant, incorrect or unsealed weights and measures or amounts or packages of commodity found to be used,

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retained, offered, or exposed for sale or sold in violation of law.

The director may stop any vehicle subject to this chapter and require the driver to move the vehicle to a designated place for inspection.

The director may in the public interest serve suitable notices or warnings rather than resorting to prosecution for minor violations.

The director may enter and go into or upon at any reasonable time, without formal warrant, any structure, premises, or any other place where commercial transactions or articles subject to this chapter are being conducted or located.

**SECTION 12.** The last sentence in section 22B-18, Revised Laws of Hawaii 1955, as amended, is amended to read as follows:

“Weights and measures that have been rejected shall not again be used commercially until they have been officially reexamined and found to be correct or until specific written permission for such use is issued by the rejecting authority, or until the rejection tag has been removed and the rejected device repaired and placed in service by a person duly registered to perform the acts under a regulation issued by the director for the registration of weights and measures servicemen and service agencies.”

**SECTION 13.** Section 22B-19, Revised Laws of Hawaii 1955, as amended, is renumbered section 22B-28 and is amended to read as follows:

**“Section 22B-28. Hindering or obstructing an officer or inspector; bribery; penalties.** Any person who shall hinder or obstruct in any way an inspector or any other officer or employee in the performance of his official duties prescribed by this chapter or any rule or regulation promulgated pursuant to this chapter, shall be fined not less than \$200 nor more than \$500, or imprisoned not more than three months, or both.

Any person who shall give, pay, or offer, directly or indirectly, to any inspector or any other officer or employee of this State authorized to perform any of the duties prescribed by this chapter or any rule, regulation or order adopted or issued pursuant to this chapter, any money or other thing of value, with intent to influence said inspector, or other officer or employee of this State, in the discharge of any duty herein provided for shall be fined not more than \$5,000 or imprisoned not more than two years, or both.

Any inspector or other officer or employee of the State authorized to perform any of the duties prescribed by this chapter who shall accept any money, gift, or other thing of value from any person, given with intent to influence his official action, shall be summarily discharged from his employment and shall be fined not more than \$5,000 or imprisoned not more than five years, or both.”

**SECTION 14.** Section 22B-20, Revised Laws of Hawaii 1955, as amended, is renumbered section 22B-29 and is amended to read as follows:

**“Section 22B-29. Impersonation; forgery; penalties.** Any person who shall impersonate in any way an inspector or any officer or employee charged with the administration or enforcement of this chapter, or forge any official device, seal or mark, shall be fined not less than \$100 nor more than \$500, or

imprisoned not more than one year, or both."

SECTION 15. Section 22B-21, Revised Laws of Hawaii 1955, as amended, is renumbered section 22B-30 and paragraph (2) thereof is deleted in its entirety and the following substituted therefor:

"(2) Use, or have in possession for the purpose of current use for any commercial purpose specified in section 22B-11, a weight or measure that does not bear a seal or mark such as is specified in section 22B-15, unless such weight or measure has been exempted from testing by the provisions of section 22B-11 or by a regulation of the director issued under the authority of section 22B-9, or unless the device has been placed in service as provided by a regulation of the director issued under the authority of section 22B-11."

SECTION 16. Section 22B-22, Revised Laws of Hawaii 1955, as amended, is renumbered section 22B-31.

SECTION 17. Section 22B-23, Revised Laws of Hawaii 1955, as amended, is renumbered section 22B-32.

SECTION 18. Section 22B-23, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-19 and to read as follows:

**"Section 22B-19. Method of sale of commodities; general.** Commodities in liquid form shall be sold only by liquid measure or by weight, and, except as otherwise provided in this chapter, commodities not in liquid form shall be sold only by weight, by measure of length or area, or by count; provided, that liquid commodities may be sold by weight and commodities not in liquid form may be sold by count only if such methods give accurate information as to the quantity of commodity sold; and provided further, that the provisions of this section shall not apply, if exempted by a regulation of the director, (1) to commodities when sold for immediate consumption on the premises where sold, (2) to vegetables when sold by the head or bunch, (3) to commodities in containers standardized by a law of this state or by federal law, (4) to commodities in package form when there exists a general consumer usage to express the quantity in some other manner, (5) to concrete aggregates, concrete mixtures, and loose solid materials such as earth, soil, gravel, crushed stone, and the like, when sold by cubic measure, or (6) to unprocessed vegetable and animal fertilizer when sold by cubic measure. The director may issue such reasonable regulations as may be necessary to assure that the weights and measures of any commodity for sale reflect accurate and fair practices to all concerned."

SECTION 19. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-20 and to read as follows:

**"Section 22B-20. Packages; declarations of quantity and origin; variations; exemptions.** Except as otherwise provided in this chapter, any commodity in package form introduced or delivered for introduction into or received in intrastate commerce, kept for the purpose of sale, or offered or exposed for sale in intrastate commerce, shall bear on the outside of the package

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such definite, plain, and conspicuous declarations of (1) the identity of the commodity in the package, (2) the net quantity of the contents in terms of weight, measure, or count, and (3) in the case of any package kept, offered, or exposed for sale, or sold in any place other than on the premises where packed, the name and place of business of the manufacturer, packer, or distributor, as may be prescribed by regulation issued by the director; provided, that, in connection with the declaration required under item (2) above, neither the qualifying term 'when packed' or any words of similar import, nor any term qualifying a unit of weight, measure, or count (for example, 'jumbo,' 'giant,' 'full,' and the like) that tends to exaggerate the amount of commodity in a package shall be used; and provided further, that under item (2) above the director shall, by regulation, establish (a) reasonable variations to be allowed, which may include variations below the declared weight or measure caused by ordinary and customary exposure, only after the commodity is introduced into intrastate commerce, to conditions that normally occur in good distribution practice and that unavoidably result in decreased weight or measure, (b) exemptions as to small packages, and (c) exemptions as to commodities put up in variable weights or sizes for sale intact and either customarily not sold as individual units or customarily weighed or measured at time of sale to the consumer."

SECTION 20. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-21 and to read as follows:

**"Section 22B-21. Declarations of unit price on random packages.** In addition to the declarations required by section 22B-20, any commodity in package form, the package being one of a lot containing random weights, measures, or counts of the same commodity and bearing the total selling price of the package, shall bear on the outside of the package a plain and conspicuous declaration of the price per single unit of weight, measure, or count."

SECTION 21. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-22 and to read as follows:

**"Section 22B-22. Deceptive package.** No commodity in package form shall be so wrapped, nor shall it be in a container so made, formed, or filled as to mislead the purchaser as to the quantity of the contents of the package, and the contents of a container shall not fall below such reasonable standard of fill as may have been prescribed for the commodity by the director."

SECTION 22. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-23 and to read as follows:

**"Section 22B-23. Advertising packages for sale.** Whenever a commodity in package form is advertised in any manner and the retail price of the package is stated in the advertisement, there shall be closely and conspicuously associated with such statement of price a declaration of the basic quantity of contents of the package as is required by law or regulation to appear on the

package; provided, that, where the law or regulation requires a dual declaration of net quantity to appear on the package, only the declaration that sets forth the quantity in terms of the smaller unit of weight or measure (the declaration that is required to appear first and without parentheses on the package) need appear in the advertisement; and provided further, that there shall not be included as part of the declaration required under this section such qualifying terms as 'when packed,' 'minimum,' 'not less than,' or any other terms of similar import, nor any term qualifying a unit of weight, measure, or count (for example, 'jumbo,' 'giant,' 'full,' and the like) that tends to exaggerate the amount of commodity in the package."

SECTION 23. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-24 and to read as follows:

**"Section 22B-24. Sale by net weight.** The word 'weight' as used in this chapter in connection with any commodity in package form shall mean net weight."

SECTION 24. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-25 and to read as follows:

**"Section 22B-25. Misrepresentation of price.** Whenever any commodity or service is sold, or is offered, exposed, or advertised for sale, by weight, measure, or count, the price shall not be misrepresented, nor shall the price be represented in any manner calculated or tending to mislead or deceive an actual or prospective purchaser. Whenever an advertised, posted, or labeled price per unit of weight, measure, or count includes a fraction of a cent, all elements of the fraction shall be prominently displayed and the numeral or numerals expressing the fraction shall be immediately adjacent to, of the same general design and style as, and at least one-half the height and width of the numerals representing the whole cents."

SECTION 25. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-26 and to read as follows:

**"Section 22B-26. Bulk deliveries sold in terms of weight, measure or count.** When a commodity is purchased in bulk and the commodity is sold in terms of weight, measure or count, the delivery of such commodity shall be accompanied by a 'weight certificate,' in a form prescribed by the director, and shall contain at least the following information, (1) name and address of the vendor, (2) name and address of the purchaser, (3) the net quantity of the delivery, (4) the date, time and place of quantity determination and the name of the person who made such determination. The director may by regulation require any additional data that will assure positive accurate description of the quantities determined."

SECTION 26. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-27 and to read as follows:

**"Section 22B-27. Weighmaster's license, fee; regulations; offenses; penalties.** The director may issue licenses to a qualified weighmaster. For the purpose of this section, a weighmaster is a person who is licensed to issue weight certificates. An annual license fee of \$20 shall be paid and the fee shall be deposited into the general fund. The director may provide by regulation for the exemption of State or county employees who qualify as a weighmaster from payment of the license fee.

"The director may pursuant to chapter 6C adopt rules and regulations governing, but not limited to, the following subject matter:

- (a) qualifications as to age, character, ability to weigh, measure or count, experience, and education of a weighmaster;
- (b) creation of a seal to be utilized by a weighmaster;
- (c) execution requirements of a weight certificate;
- (d) bonding;
- (e) record keeping;
- (f) prohibited acts;
- (g) suspension and revocation of a license;
- (h) such other matters that will effectuate the purpose of this section.

Any person who (1) requests a weighmaster to weigh any property, produce, commodity, or article falsely or incorrectly, (2) requests a false or incorrect weight certificate, and (3) issues a weight certificate simulating, forging, or duplicating the weight certificate as set forth in section 22B-26 and who is not a weighmaster, shall be fined not less than \$500 or imprisoned not less than three months, or both.

Any weighmaster who falsifies a weight certificate, or who delegates his authority to any person who is not a weighmaster, or who preseals a weight certificate with his official seal before performing the act of weighing, shall be fined not less than \$1,000 or imprisoned not less than six month, or both.

Any person who violates any provision of this section or any rule or regulation adopted pursuant thereto for which no specific penalty has been provided shall be fined not less than \$100 nor more than \$500."

SECTION 27. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-33 and to read as follows:

**"Section 22B-33. Presumptive evidence.** For the purposes of the effective enforcement of this chapter, proof of the existence of a weight or measure or a weighing or measuring device in or about any building, enclosure, stand, or vehicle in which or from which it is shown that buying or selling is commonly carried on, shall, in the absence of conclusive evidence to the contrary, be 'presumptive proof of the susceptibility of commercial use' of such weight or measure or weighing or measuring device."

SECTION 28. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-34 and to read as follows:

**"Section 22B-34. Cooperation; uniformity of regulations.** The director may cooperate and enter into agreements with any State or county agency, federal or other state agency with similar statutory functions for the purpose of carrying out this chapter and to establish uniformity, to the extent that it is reasonably possible, with federal enactments or regulations consistent with this chapter."

SECTION 29. Chapter 22B, Revised Laws of Hawaii 1955, as amended, is amended by adding a new section to be numbered 22B-35 and to read as follows:

**"Section 22B-35. Construction.** The licenses required by this chapter shall be in addition to any other licenses required by law.

The operation and effect of any provision of this chapter conferring a general power shall not be impaired or qualified by the granting of a specific power or powers, and to that end each provision of this chapter shall be construed liberally.

If any provision of this chapter is in conflict with any statute, ordinance or regulation, the provisions of this chapter shall take precedence."

SECTION 30. Notwithstanding the adoption of Act 12, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 31. This Act shall take effect upon its approval.

(Approved July 10, 1969.)

A Bill for an Act Relating to Qualifications of Jurors.

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

SECTION 1. Subsection 221-1(a), Revised Laws of Hawaii 1955, is amended to read as follows:

"(a) If he is a citizen of the United States, and of the State; possesses the qualifications for registration as a voter; is a resident of the circuit from which he is selected; and".

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to

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the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 11, 1969.)

## **ACT 178**

**H. B. NO. 805**

A Bill for an Act Relating to Motor Vehicles Abandoned on Premises of Persons in the Business of Repairing Motor Vehicles.

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

**SECTION 1.** Chapter 290, Hawaii Revised Statutes, is amended by adding a new part to read as follows:

### **"PART II. VEHICLES ABANDONED ON BUSINESS PREMISES OF PERSONS ENGAGED IN MOTOR VEHICLE REPAIR BUSINESS**

**Sec. 290- . Disposition of vehicles by persons in motor repair business.** When any person abandons a motor vehicle upon the premises of a motor vehicle repair business, the owner of the business or his authorized representative may sell or dispose of the vehicle in accord with this part.

**Sec. 290- . When vehicle deemed abandoned.** A motor vehicle shall be deemed to be abandoned upon satisfaction of the following conditions:

(1) The service requested or required by a person whose vehicle is towed or brought to a motor vehicle repair business, such as towing and rendering estimates of the cost of repairs has been performed; and

(2) No authorization is given to perform any further service respecting the vehicle but the vehicle is left on the repair business premises; and

(3) The owner of the repair business or his authorized representative has given notice by registered or certified mail to the legal and registered owner of the motor vehicle at the addresses on record in the vehicle licensing division stating that, if the vehicle is not reposessed within thirty days after the mailing of the notice, it will be sold or disposed of as junk. The notice also shall contain a description of the vehicle and its location. The notice need not be sent to a legal or registered owner or any person with an unrecorded interest in the vehicle whose name or address can not be determined; and

(4) The vehicle is not reposessed within the above mentioned thirty-day period.

**Sec. 290- . Sale or disposition of vehicle.** When a vehicle is abandoned, the owner of the vehicle repair business, or his authorized representative, after one public advertisement in a newspaper of general circulation in the State, may negotiate a sale of the vehicle or dispose of it as junk.

**Sec. 290- . Disposition of proceeds.** The authorized seller of the ve-

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hicle shall be entitled to the proceeds of the sale to the extent that compensation is due him for services rendered in respect of the vehicle, including reasonable and customary charges for towing, handling, storage, and the cost of the notices and advertising required by this part. Any remaining balance shall be forwarded to the legal or registered owner of the vehicle if he can be found. If he cannot be found, the balance shall be deposited with the director of finance of the State and shall be paid out to the legal or registered owner of the vehicle if a proper claim is filed therefor within one year from the execution of the sales agreement. If no claim is made within the year allowed, the money shall become a state realization.

**Sec. 290- . Effect of transfer of title.** The transfer of title and interest by sale under this part is a transfer by operation of law; provided that if the certificate of ownership or registration is unavailable, a bill of sale executed by an authorized seller is satisfactory evidence authorizing the transfer of the title or interest."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

**ACT 179**

H. B. NO. 896

A Bill for an Act Relating to Privileges and Immunities of Building and Loans Associations and Amending Section 407-54 Hawaii Revised Statutes.

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

SECTION 1. Chapter 407, Hawaii Revised Statutes is amended by adding a new section to read as follows:

**Sec. 407-55. Privileges and Immunities of Building and Loans Associations.** Any building and loan association authorized to do business under the laws of the State of Hawaii, which is a member of the Federal Home Loan Bank and whose accounts are insured by the United States or an instrumentality thereof, shall have, with the prior consent of the Bank Examiner, all rights, privileges, benefits and immunities presently or hereafter possessed by federal chartered building and loan associations which are located in this State.

SECTION 2. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

**ACT 180**

H. B. NO. 937

A Bill for an Act Relating to School Secretaries.

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

SECTION 1. Chapter 77, Hawaii Revised Statutes, is amended by repealing in toto the provisions of Section 77-15.

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**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 11, 1969.)

### **ACT 181**

H. B. NO. 1089

A Bill for an Act Relating to Tax Exemptions for New Fishing Vessels.

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

**SECTION 1.** Section 238-3, Hawaii Revised Statutes, is amended by adding a new subsection to be appropriately designated and to read as follows:

“( ). The tax imposed by this chapter shall not apply to any use of vessels constructed under section 189-25, prior to July 1, 1969.”

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 11, 1969.)

### **ACT 182**

S. B. NO. 63

A Bill for an Act Relating to the Preservation of Open Space in Hawaii.

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

**SECTION 1.** Purpose. The purpose of this Act is to provide a planned, coordinated program for the acquisition and preservation of open space and recreational areas in Hawaii as an integral part of the state plan for developing the economic potential of the State.

**SECTION 2.** Section 201-21 of the Hawaii Revised Statutes is amended by adding a new definition to read as follows:

“(7) ‘Open space’ or ‘open area’ means any space or area (A) characterized by great natural scenic beauty or (B) whose existing openness, natural condition, or present state of use, if retained, would enhance the present or potential value of abutting or surrounding communities, or would maintain or enhance the conservation of natural or scenic resources, or (C) which is of value for recreational and conservation purposes such as parks, natural areas, forests, camping, fishing, wetland preservation, wildlife habitat, water reserves, hunting, golfing, boating, historic and scenic preservation, preservation of beaches and shorelines, and similar uses for public outdoor recreation and conservation of natural resources.”

**SECTION 3.** Section 201-30 of the Hawaii Revised Statutes is amended by adding a new item to read as follows:

“(6) Open space lands. The director shall prepare a comprehensive open space plan for the State which shall designate areas for specific open space purposes such as for various conservation and recreation uses, and cultural, aesthetic, historic or scenic preservation. The director shall also provide for a well-planned, coordinated program to acquire, maintain, improve, protect, limit the future use of or otherwise conserve open spaces and areas, as defined in section

201-21(7), for public use and enjoyment. To this end, the director, with the co-operation of the department of land and natural resources, the land use commission or any state or county agency which succeeds to the duties of the commission, county governmental bodies, and civic organizations shall:

(1) Study the overall problem of open space needs of the State and the various individual counties;

(2) Initiate and implement such studies, surveys, and long-range plans and programs as are necessary to meet open space needs throughout the State, including the inventory of all the natural features and recreational facilities in the State, and participate with other federal, state, and local agencies, public and private, engaged in advance planning in order to coordinate development of a comprehensive open space program;

(3) Recommend a comprehensive open space policy for the State which may include more effective use of zoning regulations and the acquisition of conservation easements and other stipulated rights in property;

(4) Encourage, assist, and coordinate open space planning and programs at the state and county levels."

SECTION 4. Section 183-41 of the Hawaii Revised Statutes is amended in the following respects:

(1) By adding after the last sentence of item 183-41(1) a new sentence to read as follows:

"The department shall also give full consideration to the preservation of open spaces or areas, as defined in section 201-2(7), so as to maintain, improve, protect, limit the future use of, or otherwise conserve open spaces and areas for public use and enjoyment."

(2) Section 183-41(4) is amended by adding at the end of the first sentence a phrase to read as follows:

"and the conservation and preservation of open space areas for public use and enjoyment."

SECTION 5. Section 205-2 of the Hawaii Revised Statutes is amended by amending the last paragraph to read as follows:

"Conservation districts shall include areas necessary for protecting watersheds and water sources; preserving scenic and historic areas; providing park lands, wilderness, and beach; conserving endemic plants, fish, and wildlife; preventing floods and soil erosion; forestry; open space areas whose existing openness, natural condition, or present state of use, if retained, would enhance the present or potential value of abutting or surrounding communities, or would maintain or enhance the conservation of natural or scenic resources; areas of value for recreational purposes; and other related activities; and other permitted uses not detrimental to a multiple use conservation concept."

SECTION 6. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

A Bill for an Act Relating to Adoption and Amending Chapter 331, Revised Laws of Hawaii 1955, as Amended.

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

**SECTION 1.** Purpose. The purpose of this Act is to update and clarify the present adoption law, make it consistent with the provisions of the Family Court Act of 1965 as well as certain provisions of the Uniform Adoption Act, expand the court's jurisdiction and in general, promote the welfare and best interest of children sought to be adopted.

**SECTION 2.** Section 331-1 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

**"331-1. Who may adopt; Jurisdiction; Venue.** Any proper adult person, not married, or any person married to the legal father or mother of a minor child, or a husband and wife jointly, may petition a judge of the family court of the circuit in which he or they reside or are in military service or a judge of the family court of the circuit in which the child resides or was born or in which a child placing organization approved by the department under the provisions of section 108-11 having legal custody (as defined in section 333-2(k) of the Revised Laws of Hawaii 1955) of the child is located, for leave to adopt a minor child toward whom he or they do not sustain the legal relationship of parent and child and for a change of the name of the child. The petition shall be in such form and shall include such information and exhibits as may be prescribed by the judge exercising jurisdiction in adoption proceedings."

**SECTION 3.** Section 331-2 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

**"331-2. Consent to Adoption.** (a) Persons Required to Consent to Adoption. Unless consent is not required under paragraph (b) hereof, a petition to adopt a child may be granted only if written consent to the proposed adoption has been executed by:

(1) each living parent of a legitimate child;

(2) the mother of an illegitimate child;

(3) any person or agency having legal custody of the child or legally empowered to consent;

(4) the court having jurisdiction of the custody of the child, if the legal guardian or legal custodian of the person of the child is not empowered to consent to adoption;

(5) the child to be adopted if more than 10 years of age, unless the court in the best interest of the child dispenses with the child's consent.

(b) Persons as to Whom Consent and Notice Not Required. Consent to adoption is not required of:

(1) a parent who has deserted a child without affording means of identification for a period of 90 days or who has voluntarily surrendered the care and custody of the child to another for a period of two years;

(2) a parent of a child in the custody of another, if the parent for a period of at least two years has failed to communicate with the child when able to do so, or for a period of at least one year has failed to provide for care and support of the child when able to do so, as required by law or judicial decree;

(3) the natural father of an illegitimate child who has not legally been legitimated either prior to the placement of the child with adoptive parents or prior to the execution of a valid consent by the mother of the child;

(4) a parent whose parental rights have been judicially terminated under the provisions of chapter 333, or under the provisions of any other state or other law by a court or other agency having jurisdiction to take such action;

(5) a parent judicially declared mentally incompetent or mentally retarded if the judge dispenses with such parent's consent;

(6) any legal guardian or legal custodian of the child sought to be adopted, other than a parent, who has failed to respond in writing to a request for consent for a period of 60 days or who, after examination of his written reasons for withholding consent, is found by the court to be withholding his consent unreasonably.

(c) Notice of Hearing; Minor Parent; Consent Authorizing Selection of Adoptive Parents. No hearing of a petition for adoption shall be had unless each of the living parents of the child who has not consented to the proposed adoption, but who is alleged to come within the provisions of paragraphs (b) (1) or (b) (2) of this section, shall have had due notice, actual or constructive, of the allegations of the petition and of the time and place of the hearing thereof. Such notice need not be given to any parent whose parental rights have been legally terminated as hereinabove provided or whose consent has been filed with the petition.

The minority of a child's parent shall not be a bar to the right of such parent to execute a valid and binding consent to the adoption of such child.

Any parental consent required hereunder shall be valid and binding even though it does not designate any specific adoptive parent or parents, if it clearly authorizes the department of social services, or a child placing organization approved by the department under the provisions of section 108-11 or some proper person not forbidden by law to place a child for adoption, to select and approve an adoptive parent or parents for the child.

(d) Withdrawal of Consent. A consent to adoption which has been filed or received in evidence in an adoption proceeding or which has been given to the department of social services or to a child placing organization approved by the department under the provisions of section 108-11, or to any other proper person not forbidden by law to place or receive a child for adoption, may not be withdrawn or repudiated after the child has been placed for adoption, without the express approval of the judge based upon a written finding that such action will be for the best interests of the child.

(e) Maintenance of Action Based on Medical or Surgical Treatment of Child Barred When. A person who consents to adoption, or on whose behalf a consent to adoption is signed, and a nonconsenting parent whose consent is not required hereunder shall be barred from maintaining any action based upon medical or surgical care or treatment given to the child with the permission of

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the petitioner or petitioners or the person or agency authorized by the parental consent to select and and approve an adoptive parent or parents; provided, that nothing herein contained shall be construed to alienate or impair any cause of action accruing to the child for personal injury which may be sustained as a result of such medical or surgical care or treatment."

SECTION 4. Section 331-3 of the Revised Laws of Hawaii 1955 is hereby amended to read as follows:

**"331-3. Custody of child pendente lite.** At any stage of the proceeding subsequent to the filing of the petition and prior to the entry of a decree, the judge, upon a showing that the best interests of the child will be served thereby, may order that the petitioner or petitioners shall be entitled to retain the custody and control of the child and shall be responsible for the care, maintenance and support of the child including any necessary medical or surgical treatment, pending the further order of the court. Such order may also authorize and legally obligate the petitioner or petitioners to arrange for the burial of the child if the child shall die prior to the entry of the decree."

SECTION 5. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 6. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

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S. B. NO. 787

A Bill for an Act Relating to Salary and Perquisites of Reporters, First Circuit.

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

SECTION 1. Section 606-13 of the Hawaii Revised Statutes is amended by amending the first sentence to read as follows:

"Each reporter shall receive for his services as prescribed in section 606-12 the salary as may be appropriated from time to time as compensation for his services in court. He may also charge for his services a fee not to exceed \$1 per twenty-five line page for the original ribbon copy of transcripts of testimony and proceedings and 40 cents per twenty-five line page for each carbon copy thereof made at the same time when such transcripts are prepared in their regular order for the purposes of appeal to the supreme court and a 50 per cent additional fee for expedited service when transcripts are prepared during the course of a trial."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

**ACT 185**

S. B. NO. 1078

A Bill for an Act Relating to the Provision of Blood for Transfusion.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new section to be appropriately designated and to read as follows:

**"Section .** In the procuring, furnishing, donating, processing, distributing or using of human whole blood, plasma, blood products or blood derivatives for the purpose of injecting or transfusing in the human body, there shall be no implied warranty that the blood, plasma, products or derivatives are free from the virus of serum hepatitis as long as there is no known scientific test to detect the virus of serum hepatitis."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 11, 1969.)

**ACT 186**

S. B. NO. 56

A Bill for an Act to Encourage Landowners to Make Land and Water Areas Available to the Public by Limiting Liability in Connection Therewith.

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

SECTION 1. Purpose. The purpose of this Act is to encourage owners of land to make land and water areas available to the public for recreational purposes by limiting their liability toward persons entering thereon for such purposes.

SECTION 2. Definitions. As used in this Act:

(1) "Land" means land, roads, water, water courses, private ways and buildings, structures, and machinery or equipment when attached to realty, other than lands owned by the government.

(2) "Owner" means the possessor of a fee interest, a tenant, lessee, occupant, or person in control of the premises.

(3) "Recreational purpose" includes, but is not limited to, any of the following, or any combination thereof: hunting, fishing, swimming, boating, camping, picnicking, hiking, pleasure driving, nature study, water skiing, winter sports, and viewing or enjoying historical, archaeological, scenic, or scientific sites.

(4) "Charge" means the admission price or fee asked in return for invitation or permission to enter or go upon the land.

(5) "House guest" means any person specifically invited by the owner or a member of his household to visit at the owner's home whether for dinner, or

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to a party, for conversation or any other similar purposes including for recreation, and include playmates of the owner's minor children.

**SECTION 3. Duty of care of owner limited.** Except as specifically recognized by or provided in section 6, an owner of land owes no duty of care to keep the premises safe for entry or use by others for recreational purposes, or to give any warning of a dangerous condition, use, structure, or activity on such premises to persons entering for such purposes.

**SECTION 4. Liability of owner limited.** Except as specifically recognized by or provided in section 6, an owner of land who either directly or indirectly invites or permits without charge any person to use such property for recreational purposes does not thereby:

(1) Extend any assurance that the premises are safe for any purpose.

(2) Confer upon such person the legal status of an invitee or licensee to whom a duty of care is owed.

(3) Assume responsibility for or incur liability for any injury to person or property caused by an act of omission or commission of such persons.

**SECTION 5. Exceptions to limitations.** Nothing in this Act limits in any way any liability which otherwise exists:

(1) For wilful or malicious failure to guard or warn against a dangerous condition, use, or structure which the owner knowingly creates or perpetuates and for wilful or malicious failure to guard or warn against a dangerous activity which the owner knowingly pursues or perpetuates.

(2) For injury suffered in any case where the owner of land charges the person or persons who enter or go on the land for the recreational use thereof, except that in the case of land leased to the State or a political subdivision thereof, any consideration received by the owner for such lease shall not be deemed a charge within the meaning of this section.

(3) For injuries suffered by a house guest while on the owner's premises, even though the injuries were incurred by the house guest while engaged in one or more of the activities designated in section 2(3).

**SECTION 6. Persons using land.** Nothing in this Act shall be construed to:

(1) Create a duty of care or ground of liability for injury to persons or property.

(2) Relieve any person using the land of another for recreational purposes from any obligation which he may have in the absence of this Act to exercise care in his use of such land and in his activities thereon, or from the legal consequences of failure to employ such care.

**SECTION 7. Rights.** No person shall gain any rights to any land by prescription or otherwise, as a result of any usage thereof for recreational purposes as provided in this Act.

**SECTION 8. Rules and Regulations.** The department of land and natural resources shall make rules and regulations pursuant to chapter 91, Hawaii Revised Statutes as it deems necessary to carry out the purpose of this Act.

SECTION 9. Effective date. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

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S. B. NO. 239

A Bill for an Act to Enact the Uniform Deceptive Trade Practices Act.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately numbered and to read as follows:

## “CHAPTER

### UNIFORM DECEPTIVE TRADE PRACTICE ACT

**Section -1. Title.** This Act may be cited as the Uniform Deceptive Trade Practice Act.

**Section -2. Definitions.** As used in this chapter, unless the context otherwise requires:

(1) ‘Article’ means a product as distinguished from its trademark, label, or distinctive dress in packaging.

(2) ‘Certification mark’ means a mark used in connection with the goods or services of a person other than the certifier to indicate geographic origin, material, mode of manufacture, quality, accuracy, or other characteristics of the goods or services or to indicate that the work or labor on the goods or services was performed by members of a union or other organization.

(3) ‘Collective mark’ means a mark used by members of a cooperative, association, or other collective group or organization to identify goods or services and distinguish them from those of others, or to indicate membership in the collective group or organization.

(4) ‘Mark’ means a word, name, symbol, device, or any combination of the foregoing in any form or arrangement.

(5) ‘Person’ means an individual, corporation, government, or governmental subdivision or agency, business trust, estate, trust, partnership, unincorporated association, two or more of any of the foregoing having a joint or common interest, or any other legal or commercial entity.

(6) ‘Service mark’ means a mark used by a person to identify services and to distinguish them from the services of others.

(7) ‘Trademark’ means a mark used by a person to identify goods and to distinguish them from the goods of others.

(8) ‘Trade name’ means a word, name, symbol, device, or any combination of the foregoing in any form or arrangement used by a person to identify his business, vocation, or occupation and distinguish it from the business, vocation, or occupation of others.

**Section -3. Deceptive trade practices.** (a) A person engages in a deceptive trade practice when, in the course of his business, vocation, or occupa-

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tion, he:

- (1) Passes off goods or services as those of another;
  - (2) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
  - (3) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or association with, or certification by, another;
  - (4) Uses deceptive representations or designations of geographic origin in connection with goods or services;
  - (5) Represents that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have;
  - (6) Represents that goods are original or new if they are deteriorated, altered, reconditioned, reclaimed, used, or secondhand;
  - (7) Represents that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;
  - (8) Disparages the goods, services, or business of another by false or misleading representation of fact;
  - (9) Advertises goods or services with intent not to sell them as advertised;
  - (10) Advertises goods or services with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity;
  - (11) Makes false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions; or
  - (12) Engages in any other conduct which similarly creates a likelihood of confusion or of misunderstanding.
- (b) In order to prevail in an action under this chapter, a complainant need not prove competition between the parties or actual confusion or misunderstanding.
- (c) This section does not affect unfair trade practices otherwise actionable at common law or under other statutes of this State.

**Section -4. Remedies.** (a) A person likely to be damaged by a deceptive trade practice of another may be granted an injunction against it under the principles of equity and on terms that the court considers reasonable. Proof of monetary damage, loss of profits, or intent to deceive is not required. Relief granted for the copying of an article shall be limited to the prevention of confusion or misunderstanding as to source.

(b) Costs shall be allowed to the prevailing party unless the court otherwise directs. The court may award attorneys' fees to the prevailing party if (1) the party complaining of a deceptive trade practice has brought an action which he knew to be groundless, or (2) the party charged with a deceptive trade practice has wilfully engaged in the trade practice knowing it to be deceptive.

(c) The relief provided in this section is in addition to remedies otherwise available against the same conduct under the common law or other statutes of this State.

**Section -5. Application.** (a) This chapter does not apply to:

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(1) Conduct in compliance with the orders or rules of, or a statute administered by, a federal, state, or local governmental agency;

(2) Publishers, broadcasters, printers, or other persons engaged in the dissemination of information or reproduction of printed or pictorial matters who publish, broadcast, or reproduce material without knowledge of its deceptive character; or

(3) Actions or appeals pending on the effective date of this Act.

(b) Sections -3(a) (2) and -3(a) (3) do not apply to the use of a service mark, trademark, certification mark, collective mark, trade name, or other trade identification that was used and not abandoned before the effective date of this Act, if the use was in good faith and is otherwise lawful except for this chapter.

**Section -6. Severability.** If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## ACT 188

S. B. NO. 322

A Bill for an Act Relating to Real Property Owned by Insurance Companies and Amending Section 181-286 Revised Laws of Hawaii 1955.

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

SECTION 1. Subsection (a), section 181-286 Revised Laws of Hawaii 1955, is amended to read as follows:

"(a) An insurer other than a life insurer may own and invest or have invested in its home office and branch office buildings any of its funds in aggregate amount not to exceed twenty per cent of its admitted assets unless approved by the commissioner, or if a mutual or reciprocal insurer not to exceed twenty per cent of its admitted assets nor such amount as would reduce its surplus, exclusive of such investment, below the minimum required surplus for the class, or combination of classes, of insurance authorized, unless approved by the commissioner. A life insurer may own and invest or have invested in its home office building and branch office buildings any of its funds in an aggregate amount not to exceed twenty per cent of its admitted assets, or fifty per cent of the excess of its admitted assets over its liabilities, other than capital stock if a stock life insurer, whichever is the lesser amount. Such home office or branch office buildings may be constructed upon leasehold estates. However, if a life insurer has been licensed less than five years, a prior approval from the insurance commissioner shall be required before investment may be made in home office or branch office buildings."

SECTION 2. The first nine lines of subsection (b), section 181-286 Re-

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vised Laws of Hawaii 1955, is amended to read as follows:

“(b) An insurer may invest any of its funds, in aggregate amount not exceeding twenty-five per cent of its assets in real property including those realty set forth in subsection 181-286 (a), for realty acquired for the purpose of leasing the same to any person for a period of not less than twenty years, or in real property already leased for an unexpired period of not less than fifteen years of an original period of not less than twenty years, under the following terms and conditions:”

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

(Approved July 14, 1969.)

## **ACT 189**

S. B. NO. 386

A Bill for an Act Relating to Special License Plates for Amateur Radio Station Licensees.

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

**SECTION 1.** Section 286-62 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 286-62. Special license plates authorized.** Any owner of a passenger motor vehicle, who is a resident of the State, and who holds an unrevoked and unexpired amateur radio station license, other than novice, issued by the federal communications commission, upon application, accompanied by proof of ownership of the amateur radio station license, may be issued a special license plate for his passenger motor vehicle as provided in sections 286-63 to 286-69.”

**SECTION 2.** Section 286-63 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 286-63. Shape, size and color of plates; how affixed.** The special license plate shall be similar in shape, size and color to the regulation passenger motor vehicle number plate prescribed by law, and shall bear the official amateur radio call letters of the applicant, as assigned by the federal communications commission. The special license plate shall be securely fastened to the passenger motor vehicle in lieu of the regulation number plate; provided, that the regulation tag or emblem issued each year shall be affixed to the passenger motor vehicle or the special license plate in the manner provided in section 249-7.”

**SECTION 3.** Section 286-64 of the Hawaii Revised Statutes is amended to read as follows:

**“Section 286-64. Regulation plates to be surrendered.** Upon the issuance of the special license plates, the regulation number plates originally issued in the registration of the passenger motor vehicles shall be surrendered to the administrator of the county civil defense agency who shall retain the plates

as long as the special license plates are attached to the passenger motor vehicle."

SECTION 4. Section 286-65 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 286-65. Surrender, transfer and disposal of special plates.**

Upon the transfer of ownership of the passenger motor vehicle, or upon the expiration or revocation of the amateur radio station license, the holder of the special license plates shall surrender them to the administrator of the county civil defense agency who shall retain the plates as long as they are valid. The regulation number plates shall be securely fastened to the passenger motor vehicle as provided in sections 249-7 and 249-8. Upon reapplication, an amateur radio station licensee may be reissued his special license plates as provided in this part at no additional cost."

SECTION 5. Section 286-66 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 286-66. Director in charge.** The director of civil defense shall be responsible for processing all applications for the special license plates and shall make all necessary arrangements for the purchase and issuance thereof.

The administrator of the county civil defense agency shall assist the director of civil defense in the administration of this part, which includes but not limited to, the receipt of applications, the collection and payment of fees, the issuance of special license plates, the transmittal of the list of special license plates issued together with the names and addresses to whom issued to the director of civil defense and the respective chief of police and the respective licensing officer of each county, and any other duties as may be prescribed by the director of civil defense. The chief of police and licensing officer of each county shall keep a record of the list of special license plates issued together with the names and addresses to whom issued in their respective office and may discard the list when it is more than six years old."

SECTION 6. Section 286-67 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 286-67. Fees.** Any applicant applying for the special license plates shall pay to the administrator of the county civil defense agency an amount equal to the cost of the plates plus administrative costs of furnishing the special license plates. The fees for the special license plates shall be determined by the director of civil defense."

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

(Approved July 14, 1969.)

## **ACT 191**

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

**SECTION 1.** Section 80-4(d) of the Hawaii Revised Statutes is amended by amending paragraphs (1) and (2) to read as follows:

“(1) The maximum number of hours of work shall be an average of 63 hours of actual service which shall constitute an average work week and which shall be scheduled and computed on the basis of an eight-week cycle; provided that in a county with a population of 100,000 or less, the maximum number of hours of work shall be 288 hours of actual service for 28 days and not more than 144 hours of work in any two-week period.”

**SECTION 2.** Section 80-4(d) of the Hawaii Revised Statutes is amended by renumbering paragraphs (3) and (4) to paragraphs (2) and (3).

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

(Approved July 14, 1969.)

## **ACT 191**

**S. B. NO. 456**

A Bill for an Act Relating to Marriage Licenses.

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

**SECTION 1.** Section 323-6, Revised Laws of Hawaii 1955, is amended to read as follows:

**“Sec. 323-6. Application; license; limitations.** In order to secure a license to marry, the persons applying therefor shall appear personally before an agent authorized to grant marriage licenses and shall file with him an application in writing. The application shall be accompanied by a statement signed and sworn to by each of the persons, setting forth: his or her full name, age, race, residence, occupation, if any; their relationship, if any; the full names of parents, and whether living or dead; whether previously married and the manner of the dissolution of the prior marriage or marriages; any other items required by the standard marriage certificate as recommended by the public health service, national center for health statistics, subject to approval of and modification by the department of health. The agent shall indorse on the application, over his signature, the date of the filing thereof and shall issue a license which shall bear on its face the date of issuance. Every license shall be of full force and effect for thirty days commencing from and including the date of issuance. After the thirty-day period, the license shall become void and no marriage ceremony shall be performed thereon.

All applications and licenses shall be made and issued upon forms to be furnished by the department of health.”

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to

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the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the reference in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 14, 1969.)

**ACT 192**

S. B. NO. 541

A Bill for an Act Relating to Real Property Tax Exemptions for Colleges.

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

**SECTION 1.** Section 246-32(b) (1) (B), Hawaii Revised Statutes, is amended to read as follows:

“(B) Junior colleges or colleges carrying on a general program of instruction of college level. The property exempt from taxation under this paragraph is limited to buildings for educational purposes (including dormitories), housing owned by the school or college and used as residence for personnel employed at the school or college, campus and athletic grounds, and realty used for vocational purposes incident to the school or college.”

**SECTION 2.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

**ACT 193**

S. B. NO. 616

A Bill for an Act Relating to the Issuance of General Obligation Bonds for Certain University Projects.

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

**SECTION 1.** The appropriations of the following sums, or so much thereof as shall be sufficient to finance the following undertakings, from University of Hawaii revenue bond funds made in the following Acts for the respective following undertakings is hereby continued:

Act 40, SLH 1968 —	Student Center, Honolulu — Purchase of furniture and equipment.	\$ 481,000
Item E-8		
Act 40, SLH 1968 —	Student Dormitory, 500 beds — Honolulu, Construction, purchase of furniture and equipment, and plans for additional dormitories.	4,222,000
Item E-9		
Act 40, SLH 1968 —	Parking Structures, Honolulu — Plans and construction of multi-deck structures to provide parking facilities and minimum access facilities.	5,500,000
Item E-20		

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Act 217, SLH 1967 — Item E-4	Student Center, Manoa — Facilities for student activities, snack and lease services and bookstore.	2,519,000
Act 217, SLH 1967 — Item E-5	Student Dormitories, Manoa — Acquisition of furniture and equipment for the student dormitory for single students.	82,000
Act 217, SLH 1967 — Item E-6	Student Dormitory, Manoa — Dormitory facilities to house single students.	269,000
Act 217, SLH 1967 — Item E-19	Student Dormitory, Hilo — Acquisition of furniture and equipment for the new student dormitory project for single students.	41,000
Act 195, SLH 1965 — Item A-21	Parking Facilities, Manoa — Improvement of parking facilities, including paving of lots and installation of access control equipment.	650,000

The Governor, in his discretion, is authorized to use general obligation bond funds to finance all, or any one or more, or any part of, the foregoing undertakings, in lieu of the application thereto of University of Hawaii revenue bond funds, and the foregoing amounts, or so much thereof as shall be sufficient to finance said undertakings, are hereby appropriated from general obligation bond funds; provided, the sum total of University of Hawaii revenue bond funds and general obligation bond funds so used shall not exceed \$13,764,000. General obligation bonds may be issued as provided by law to yield the amount appropriated from general obligation bond funds which general obligation bonds shall be in addition to the general obligation bonds authorized to be issued by Act 195, SLH 1965, Act 217, SLH 1967 and Act 40, SLH 1968; provided that the sum total of general obligation bonds so issued to finance said undertakings shall not exceed \$13,764,000; and provided further, that the principal and interest of such bonds shall be reimbursed to the general fund from the net revenue derived from the rates, rentals, fees and charges imposed for the use and services of or commodities and facilities furnished by the undertakings, or, if the respective undertaking shall be operated and maintained, or combined with, another or others of said undertakings, or with another or other University undertaking, as a system or systems, from the net revenue derived from the respective system or systems.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 194**

S. B. NO. 704

A Bill for an Act Relating to the Disposition of Motor Vehicle Certificates of Ownership, Certificates of Registration and License Plates for Motor Vehicles Which are Sold or Otherwise Disposed of as Salvage and Amending Chapter 286 of the Hawaii Revised Statutes.

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

**SECTION 1.** Section 286-48(a) of the Hawaii Revised Statutes is

amended by adding the following sentences at the end of the section to read as follows:

"If the certificate of registration or one or both license plates are lost, an affidavit, duly notarized and signed by the party responsible for the compliance of this section stating that he has no knowledge of the location of the certificate of registration or the license plates, shall be filed with the director of finance of the county having jurisdiction over the vehicle. In any event the certificate of ownership or other evidence of title shall be forwarded to the director of finance."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 195**

S. B. NO. 718

**A Bill for an Act Relating to Real Property Taxes and Amending the Schedule of Home Exemptions.**

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

**SECTION 1.** That part of subsection 128-13(a), Revised Laws of Hawaii 1955, relating to the schedule for home exemptions from real property taxes is amended to read as follows:

"(1) Totally exempt where the value of the property is not in excess of \$5,100;

(2) Where the value of such property is in excess of \$5,100, according to the following schedule:

Value of Property	Exemption
Over \$5,100 to \$5,299	\$5,000
5,300 to 5,499	5,100
5,500 to 5,699	5,200
5,700 to 5,949	5,400
5,950 to 6,199	5,600
6,200 to 6,499	5,800
6,500 to 6,799	6,100
6,800 to 7,099	6,400
7,100 to 7,499	6,700
7,500 to 7,999	7,100
8,000 to 8,499	7,500
8,500 and over	8,000."

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

## **ACT 196**

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act shall apply with respect to taxable years beginning from July 1, 1970.

(Approved July 14, 1969.)

## **ACT 196**

S. B. NO. 758

A Bill for an Act Relating to Mattresses, Manufacture, etc., and Sale of, and Amending Chapter 332 of the Hawaii Revised Statutes.

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

**SECTION 1.** Section 332-3 of the Hawaii Revised Statutes is hereby amended by deleting the words "muslin or linen tag" on the sixth line and inserting in lieu thereof the words "a tag of suitable, durable material".

**SECTION 2.** This Act shall take effect upon approval.

(Approved July 14, 1969.)

## **ACT 197**

S. B. NO. 782

A Bill for an Act Amending Section 281-52, Hawaii Revised Statutes, Relating to Intoxicating Liquor.

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

**SECTION 1.** Section 281-52 of the Hawaii Revised Statutes is amended by adding the words "kind of the same" before the word "class" in the eleventh line of the section.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 198**

S. B. NO. 783

A Bill for an Act Amending Chapter 159, Revised Laws of Hawaii 1955, as Amended, Relating to Intoxicating Liquor.

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

**SECTION 1.** The paragraph entitled "Class 9. Special." of section 159-30 of the Revised Laws of Hawaii 1955, as amended, is hereby amended by deleting the words "one day" and inserting in lieu thereof the words "three days".

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

A Bill for an Act Relating to Hazard Pay and Amending Section 4-8, Revised Laws of Hawaii 1955.

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

SECTION 1. Section 4-8, Revised Laws of Hawaii 1955, is amended to read as follows:

**"Section 4-8. Hazard Pay.** Upon recommendation of a department head the director, with the approval of the commission, may grant differentials in pay for employees exposed temporarily to unusually hazardous working conditions; provided, that the hazard has not already been recognized as a factor in assigning classes to salary ranges. Such pay differentials may not exceed twenty-five per cent of the minimum rate of the salary range, and shall terminate six months after the date of approval, unless terminated sooner.

Requests for the renewal of such differentials as originally approved by the commission may be granted by the director for periods no longer than 6 months at a time.

Differentials granted under this section shall be subject to certification by the respective fiscal officers as to the availability of funds for this purpose."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

A Bill for an Act Relating to Agricultural Cooperative Associations and Amending Chapter 421, Hawaii Revised Statutes.

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

SECTION 1. Section 421-18, HRS, is hereby amended by adding a new subsection (e) thereto, to read as follows:

"(e) Effect of other statutes upon contracts. The provisions of this chap-

\* Edited accordingly

## **ACT 201**

ter are intended to encourage and to authorize associations to effectively produce and market agricultural products, and to derive the maximum benefits possible from such cooperative production and marketing. Accordingly, the contracts between an association and its members shall be deemed to authorize the collective production and marketing of the members' products, including but not limited to the combining, pooling and blending of production quotas, marketing adjustments and distribution rights, the provisions of any other law to the contrary notwithstanding. This section shall be liberally construed in favor of associations and their contracts with their members."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 201**

S. B. NO. 911

A Bill for an Act Relating to University Projects.

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

**SECTION 1.** The first and second paragraphs of section 306-4, Hawaii Revised Statutes, are hereby amended to read as follows:

"Revenue bonds shall be issued in the name of the board of regents, may be in one or more series, may be in such denomination or denominations, may bear such date or dates, may mature at such time or times not exceeding fifty years from their respective dates, may be payable at such place or places within or without the State, may carry such registration privileges as to principal alone or as to both principal and interest, may be subject to such terms or redemption with or without premium, may be executed in such manner, and may contain such terms, covenants, and conditions, and may be in such form, either coupon or registered, as the resolution authorizing the issuance of the bonds, or subsequent resolutions may provide.

Revenue bonds may be sold at private sale to the United States, or any agency, instrumentality, or corporation thereof, to the State or any political subdivision, agency, instrumentality, or corporation thereof, or to any person or group of persons offering to purchase all of a major portion of a particular issue or series. Unless sold at private sale as herein provided, revenue bonds shall be sold at public sale after publication of a notice of such sale at least once, the date of publication to be at least five days prior to the date of the sale, and the publication shall be made in a newspaper published and of general circulation in the State and in a financial newspaper published in either of the cities of New York, Chicago, or San Francisco. The revenue bonds shall be sold for not less than 98 per cent of the principal amount thereof. Pending the preparation of definitive revenue bonds, interim receipts or temporary bonds may be issued and delivered to the purchasers of the bonds in such form and containing such provisions as the board may determine. Revenue bonds, interim receipts, and temporary bonds shall be fully negotiable within the meaning of and for all the purposes of the Uniform Commercial Code, chapter 490.

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 202**

S. B. NO. 913

A Bill for an Act Relating to Rent Supplements.

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

SECTION 1. Section 359-121 of the Hawaii Revised Statutes is amended by amending the last sentence to read as follows:

“No payment on behalf of a qualified tenant shall exceed a segregated amount of \$70 a month.”

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 203**

S. B. NO. 934

A Bill for an Act Relating to Residential Leaseholds.

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

SECTION 1. Section 516-2 of the Hawaii Revised Statutes is amended to read as follows:

**“Sec. 516-2. Applicability.** This chapter applies to all lands leased as residential lots which are owned or held privately or by the State, except Hawaiian home lands which are subject to Article XI of the Constitution of the State and lands owned or held by the federal government.”

SECTION 2. If section 516-2, Hawaii Revised Statutes, as amended by this Act is for any reason held to be unconstitutional or invalid, section 516-2 as it exists on the date of approval of this Act shall be reinstated and its validity shall not thereby be affected.

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

(Approved July 14, 1969.)

**ACT 204**

S. B. NO. 983

A Bill for an Act Relating to New Programs and Making Supplementary Appropriation Therefor.

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

SECTION 1. There is appropriated from moneys in the treasury received from general revenues or general obligation bond funds the sum of \$10,000,000 for the purpose of repairing and maintaining public schools throughout the State.

## **ACT 205**

**SECTION 2.** Anything in this Act and the law, including chapter 37, to the contrary notwithstanding, the funds authorized by this Act which are unencumbered and unexpended at the close of any fiscal year shall not lapse.

**SECTION 3.** The sum hereby appropriated shall be expended for the purpose herein specified by the department of accounting and general services.

**SECTION 4.** This Act shall take effect upon approval.

(Approved July 14, 1969.)

## **ACT 205**

S. B. NO. 995

A Bill for an Act Relating to the Regulation of Hearing Aid Dealers and Fitters.

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

**SECTION 1.** The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

### **"CHAPTER**

### **HEARING AID DEALERS AND FITTERS**

**Section -1. Definitions.** As used in this chapter, unless the context otherwise requires:

(a) 'Board' means the board of hearing aid dealers and fitters.

(b) 'Department' means the department of regulatory agencies.

(c) 'Hearing aid' means any wearable instrument or device and any parts, attachments, or accessories, including earmold, but excluding batteries and cords, designed or offered for the purpose of aiding or compensating impaired human hearing.

(d) 'License' means a license issued under this chapter.

(e) 'Practice of dealing and fitting of hearing aids' means the measurement of human hearing by an audiometer or by any other means solely for the purpose of making selections, adaptations, or sales of hearing aids or the manufacture of impressions for earmolds, and, at the request of a physician or a member of a profession related to the practice of medicine and surgery, the administration of audiograms for use in consultation with the hard-of-hearing.

(f) 'Sale' means any transfer of title, interest, or possession except transactions with distributors or dealers.

(g) 'Temporary permit' means the permit issued while an applicant for a license is in training to become a licensed hearing aid dealer and fitter.

**Section -2. License required.** It shall be unlawful for any person not licensed under this chapter to engage in the sale or practice of dealing and fitting of hearing aids or to use any sign, card, or device to indicate that he is licensed and registered.

Any person wishing to obtain a license, or a permit or certificate of endorsement shall make application to the board and shall furnish to the board:

- (a) Satisfactory evidence of good moral character.
- (b) Satisfactory proof that he is a graduate of a high school approved and recognized by the board.
- (c) Satisfactory proof that he has fulfilled all of the requirements of the board.

An applicant shall be required to pass a written and practical examination.

For a period of six months after the effective date of this Act, an applicant shall be issued a license without examination; provided that he has been principally engaged in the State as a hearing aid dealer and fitter for a total period of not less than two years within a period of five years immediately prior to the effective date of this chapter.

**Section -3. Appointment, qualifications, term.** There is hereby established a board within the department of regulatory agencies which shall consist of seven members who shall be appointed by the governor in a manner prescribed in section 26-34: of the seven members, there shall be at least one hearing aid dealer and fitter, one otolaryngologist, and one audiologist. Each hearing aid dealer and fitter on the board shall have at least five years of experience and shall hold a valid license as a hearing aid dealer and fitter; provided that in the membership of the first board, the hearing aid dealers and fitters shall have, to qualify for appointment, at least five years of experience and possess all the qualifications provided in section -2.

All members of the board shall be residents of the State. The board shall elect a chairman, and secretary-treasurer from the members of the board.

**Section -4. Meetings of the board.** The board shall meet not less than once each year at a time and place as determined by the board. The board shall also meet at such other times and places as may be necessary or requested by the department.

**Section -5. Powers and duties of the board.** The powers and duties of the board are to:

- (1) Adopt rules and regulations in accordance with chapter 91 to carry out the purposes of this chapter.
- (2) Develop standards for licensure.
- (3) Prepare and administer examinations.
- (4) Issue, renew, suspend, and revoke licenses.
- (5) Register applicants and holders of a license, permit and certificate of endorsement.
- (6) Investigate and conduct hearings regarding any violation of this chapter and any rules and regulations of the board.
- (7) Maintain a record of its proceedings.
- (8) Do all things necessary to carry out the functions, powers and duties set forth in the chapter.

**Section -6. Scope of examination.** The examination shall include:

- (a) Written tests of knowledge in the following subjects:

- (1) Basic Physics of sound;

## **ACT 205**

- (2) Anatomy and physiology of the ear; and
- (3) Function of hearing aids.
- (b) Practical tests of proficiency in the following techniques:
  - (1) Pure tone audiometry, including air and bone conduction testing;
  - (2) Live voice or recorded voice speech audiometry, including speech reception threshold and speech discrimination testing;
  - (3) Masking when indicated;
  - (4) Recording and evaluation of audiometry to determine proper selection and adaptation of a hearing aid; and
  - (5) Taking earmold impressions.

**Section -7. Issuance of license.** The board shall register each applicant without discrimination or examination who satisfactorily meets the experience requirements or who passes an examination as provided in section -2. Upon the payment of \$5, the board shall issue to the applicant a license. The license shall be valid until January 30 of the year following the year in which the license is issued.

**Section -8. Annual renewal of license; fees; effect of failure to renew.** Each person who engages in the fitting and sale of hearing aids shall on or before January 30, pay to the department an annual fee of \$5, for renewal of his license and shall keep the certificate conspicuously posted in his office or place of business at all times. Where more than one office is operated by the licensee, duplicate certificates shall be issued by the department for posting at each location. A thirty-day grace period shall be allowed after January 30, during which time licenses may be renewed upon payment of \$10 to the department. After expiration of the grace period, the department may renew such certificates upon payment of \$15 to the department. No person who applies for renewal, whose license has expired, shall be required to submit to any examination as a condition to renewal; provided that the renewal application is made within two years from the date of expiration.

**Section -9. Temporary permit.** (a) Upon receiving an application for a temporary permit a payment of \$5, the board may issue a temporary permit which shall entitle the applicant to engage in the fitting and sale of hearing aids for a period of one year. A waiting period is not required. A person issued a temporary permit shall be under the direct supervision and training of a person duly licensed under this chapter.

(b) If a person who holds a temporary permit under this section has not passed the examination within one year from the date of issuance, the temporary permit may be renewed or reissued once upon payment of a \$5 fee.

**Section -10. Certificate by endorsement.** Whenever the board determines that another state or jurisdiction has a program with requirements equivalent to or higher than those in effect under this chapter to fit and sell hearing aids, the board may issue certificates of endorsement to applicants who hold current, unsuspended, and unrevoked certificates or licenses to fit and sell hearing aids in another state or jurisdiction. Applicants for certificate of endorsement shall not be required to pass an examination as provided in section

-2. The holder of a certificate of endorsement shall be subject to the same provisions applying to a licensee regarding registration, fees, and grounds for renewal, suspension and revocation of a license.

**Section -11. Notice to board of place of business; notice to holders of license.** (a) Any person who holds a license, certificate of endorsement, or temporary permit shall notify the board in writing of the address of the place where he engages or intends to engage in the fitting or the sale of hearing aids.

(b) The board shall keep a record of the place of business.

(c) Any notice required to be given by the board to the person shall be mailed to him by certified mail at the address of the last place of business which he has notified the board.

**Section -12. Receipt required to be furnished to a person supplied with hearing aid.** (a) Any person who practices the fitting and sale of hearing aids shall deliver to each purchaser a receipt containing the licensee's signature, his business address, and the number of his certificate, together with specifications as to the make and model of the hearing aid furnished and the terms of the sale. If hearing aid which is not new is sold, the receipt and the container thereof shall be clearly marked as 'used' or 'reconditioned', with the terms of guarantee, if any.

(b) The receipt shall bear, a type no smaller than the largest that is used in the body copy portion, the following: the purchaser has been advised at the outset of his relationship with the hearing aid dealer and fitter that any examination or representation made by a hearing aid dealer and fitter in connection with the fitting and selling of this hearing aid is not an examination, diagnosis, or prescription by a person licensed to practice medicine in this State and shall not be considered as medical opinion or advice.

(c) Any person engaged in the fitting and selling of hearing aids shall when dealing with a child ten years of age or under, ascertain whether the child has been examined by an otolaryngologist within ninety days prior to the fitting and the recommendation shall be noted on the receipt.

**Section -13. Grounds for disciplinary action.** The board may deny, revoke, or suspend any license, certificate of endorsement, or temporary permit issued under this chapter or otherwise discipline upon proof that a person has:

(1) Been convicted of a felony, or a misdemeanor involving moral turpitude;

(2) Obtained a license, certificate of endorsement or temporary permit by fraud or deceit;

(3) Obtained a fee or the making of a sale by fraud or misrepresentation;

(4) Employed with knowledge, directly or indirectly, any suspended or unregistered person to perform any work covered by this chapter;

(5) Applied, caused or promoted for advertising, the use of any matter, promotional literature, testimonial, guarantee, warranty, label, brand, insignia, or any other representation which is misleading, deceptive or untruthful;

(6) Advertised a particular model or type of hearing aid for sale which in fact is not immediately available and where it is established that the purpose

## **ACT 205**

was to obtain prospects for the sale of a different model or type;

(7) Represented that the service or advice of a person licensed to practice medicine will be used or made available in the selection, fitting, adjustment, maintenance, or repair of hearing aids when that is not true, or used the words 'doctor', 'clinic' or similar words, abbreviations or symbols related to the medical profession when it is not accurate;

(8) Permitted the use of a license by another;

(9) Advertised a product or used a manufacturer's name or trademark which implies a relationship which in fact does not exist;

(10) Given or offered to give, directly or indirectly, money or anything of value to any person who advises another in a professional capacity as an inducement to influence him or have him influence others to purchase or contract to purchase products sold or offered for sale by a hearing aid dealer or fitter, or influencing persons to refrain from dealing in the products of competitors;

(11) Engaged in the fitting and selling of hearing aids under a false name or alias with fraudulent intent;

(12) Sold a hearing aid to a person who has not been given tests utilizing appropriate established procedures and instrumentation in fitting of hearing aids;

(13) Committed gross incompetence or negligence in fitting and selling hearing aids;

(14) Violated any provisions of this chapter and any rules and regulations.

### **Section -14. Prohibited acts and practices.** No person shall:

(1) Sell, barter, offer to sell, barter or transfer or assign a license, certificate of endorsement, or temporary permit;

(2) Purchase or procure by barter a license, certificate of endorsement, or temporary permit with intent to use it as evidence of qualification to practice the fitting and selling of hearing aids;

(3) Alter a license, certificate of endorsement, or temporary permit with fraudulent intent;

(4) Use or attempt to use license, certificate of endorsement, or temporary permit which is invalid because it was purchased, fraudulently obtained, forged or materially altered;

(5) Make a false statement in an application for license, certificate of endorsement, temporary permit, or application for renewal of license.

**Section -15. Complaints; disciplinary proceedings.** Any person who wishes to make a complaint against a person who has a license, certificate of endorsement, or temporary permit shall file his complaint in writing with the board within one year from the date of the action upon which the complaint is based. If the board determines that the charges made in the complaint are sufficient to warrant a hearing to determine whether the license, certificate of endorsement or temporary permit shall be suspended or revoked, it shall make an order fixing a time and place for a hearing and require the respondent to appear and defend against the complaint. The order shall have annexed

thereto a copy of the complaint. The order and copy of the complaint shall be served upon the respondent at least twenty days before the date set for hearing, either personally or by registered or certified mail sent to the respondent's last known address. Continuances of the hearing date shall be made for good cause. At the hearing the respondent may be represented by counsel. The respondent and the board shall have the right to take depositions in advance of hearing and after service of the complaint, either may compel the attendance of witnesses by subpoenas issued by the board. Either party taking depositions shall give at least five days' written notice to the other party of the time and place of such depositions, and the other party and counsel shall have the right to attend and cross-examine. Appeals from suspension or revocation shall be made pursuant to chapter 91.

**Section -16. Subpoenas.** The board may issue subpoenas to compel the attendance of witnesses and the production of documentary evidence or the production of any books, papers, or records. If any person subpoenaed as a witness fails or refuses to respond thereto, or refuses to answer questions propounded by a member material to the matter pending before the board, any circuit judge, upon application of the board or any member thereof, may enforce by proper proceeding the attendance and testimony of the witnesses. If any person wilfully testifies falsely under oath before the board or wilfully makes false affidavit in any proceeding before the board, the person shall be charged for perjury and be subject to its penalties.

**Section -17. Injunctive relief.** The board may apply for an injunction in any court of competent jurisdiction to enjoin any person who has not been issued a license, permit, or certificate of endorsement or whose license, permit, or certificate of endorsement has been suspended or revoked or has expired from practicing in the dealing and fitting of hearing aids; and, upon the filing of a verified petition in the court, the court or any judge thereof, if satisfied by affidavit or otherwise, may issue a temporary injunction, without notice or bond, enjoining the defendant from further practicing in the dealing and fitting of hearing aids. A copy of the verified complaint shall be served upon the defendant and the proceedings shall thereafter be conducted as in other civil cases. If it is established that the defendant has been or is practicing dealing and fitting of hearing aids without having been issued a license, permit or certificate of endorsement or after it has been suspended or revoked or has expired, the court or any judge thereof may enter a decree enjoining the defendant from further practicing in the dealing and fitting of hearing aids. In case of violation of any injunction issued under this section, the court may summarily try and punish the offender for contempt of court. The injunction proceeding shall be in addition to, and not in lieu of all penalties and other remedies provided in this chapter.

**Section -18. Persons and practices not affected.** This chapter is not intended to: (a) Prohibit any person from engaging in the practice of measuring human hearing for the purpose of selection of hearing aids; provided the person or the organization employing the person does not sell hearing aids or ac-

## ACT 206

cessories.

(b) Prohibit a person in maintaining an established business address from engaging in the business of selling or offering for sale hearing aids at retail without a license, provided that it employs persons licensed under this chapter responsible for the fitting and direct sale of such products; provided also that there shall be filed annually with the board a list of all licensed hearing aid dealers and fitters directly or indirectly employed.

(c) Apply to a person who is a physician licensed to practice in Hawaii.

**Section -19. Severability.** If any provision of this chapter or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of this chapter which can be given effect without the invalid provisions or applications, and to this end the provisions of this Act are severable.

**Section -20. Penalties.** Any person who violates this chapter shall be fined not more than \$500 or imprisoned not more than ninety days, or both."

SECTION 2. This Act shall take effect on July 1, 1970.

(Approved July 14, 1969.)

## ACT 206

S. B. NO. 1057

A Bill for an Act Relating to the Residence Requirement for Police Applicants and Amending Section 5-1 of the Revised Laws of Hawaii 1955, as Amended.

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

SECTION 1. Section 5-1 of the Revised Laws of Hawaii, 1955, as amended, is hereby further amended by adding a new paragraph to read as follows:

"( ). The foregoing requirements shall not apply to persons recruited by any county or municipal subdivision of this State to become uniformed members of the police departments, who have been physically present in the State of Hawaii for at least three years under any combination of years as members of the Armed Forces of the United States and as civilians, and who are registered voters of the State of Hawaii; provided that in the appointment of such persons as uniformed members of police departments, preference shall be given to persons who have been residents of this State for three years or more and are citizens of the United States and are of the same standing, grade qualification or rating as those made eligible for employment under the provisions of this subsection."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

A Bill for an Act Amending Chapter 159, Revised Laws of Hawaii 1955, as Amended, Relating to Intoxicating Liquor.

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

**SECTION 1.** Section 159-41 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended in the following respects:

(a) By amending the title to read "**Transfer of Licenses; Notice of Change in Officers, Directors and Stockholders of Corporate Licensees; Penalty.**"

(b) By amending the fourth paragraph thereof to read as follows:

"If the licensee is a corporation, a change in ownership of any outstanding capital stock shall not be deemed a transfer of a license; provided, that in the case of a change in ownership of twenty-five per cent or more of the stock or in the case of a change in ownership of any number of shares of the stock which results in the transferee thereof becoming the owner of twenty-five per cent or more of the outstanding capital stock, the corporate licensee shall, within thirty days from the date of such transfer, notify the commission in writing. In addition, the corporate licensee shall, within thirty days from the date of election of any officer or director, notify the commission in writing of the name, age, and place of residence of such officer or director. If the commission finds the transferee, officer or director an unfit or improper person to hold a license in his own right pursuant to section 159-45, it may in its discretion revoke the license or suspend the license until a retransfer or new transfer of such capital stock is effected to a fit or proper person pursuant to section 159-45 or until the unfit or improper officer or director is removed or replaced.

**SECTION 2.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

A Bill for an Act Relating to Retaking and Reimprisoning Parolees.

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

**SECTION 1.** Section 353-65 of the Hawaii Revised Statutes is hereby amended to read as follows:

"The board of paroles and pardons may establish rules and regulations, with the approval of the governor and the director of social services not inconsistent with this part, under which any prisoner may be paroled but shall remain, while on parole, in the legal custody and under the control of the board, and be subject, at any time until the expiration of the term for which he was sentenced, to be taken back within the enclosure of the prison. The rules and regulations shall have the force and effect of law. Full power, subject to this

## **ACT 209**

part, to enforce the rules and regulations, to grant, and to revoke paroles is conferred upon the board. The power to retake and reimprison a paroled prisoner is conferred upon the administrative secretary, who may issue a warrant authorizing all of the officers named therein to arrest and return to actual custody any paroled prisoner. The superintendent of Hawaii state prison, the chief of police of each county and all police officers of the State or of any county, and all prison officers shall execute any such order in like manner as ordinary criminal process.

If any prisoner so paroled leaves the State without permission from the board, he shall be deemed to be an escaped prisoner, and may be arrested as such."

**SECTION 2.** New material is underscored and the deleted material is bracketed. In printing this Act, the revisor of statutes need not include the underscoring.\*

**SECTION 3.** This Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect on the date of its approval.

(Approved July 14, 1969.)

## **ACT 209**

H. B. NO. 6

A Bill for an Act Providing for the Election of Representatives to the United States Congress from Congressional Districts and Amending Chapters 12 and 13 of the Hawaii Revised Statutes.

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

**SECTION 1.** Chapters 12 and 13 of the Hawaii Revised Statutes are hereby amended:

(a) By adding a new section to be numbered and to read as follows:

**"Sec. 12-32.5. Congressional districts: reapportionment.** The congressional districts and the number of members to be elected from each shall be as follows:

First congressional district: The eleventh through the seventeenth representative districts and precincts 7 and 13 of the tenth representative district, one representative to the Congress of the United States.

Second congressional district: The first through the ninth representative districts, the eighteenth representative district and precincts 1 through 6, 8 through 12, and 14 through 19 of the tenth representative district, one representative to the Congress of the United States."

\* Edited accordingly

(b) By amending the first paragraph of section 13-15 to read as follows:

"Nomination papers for candidates for member of Congress, governor, and lieutenant governor shall be signed by not less than twenty-five qualified electors of the State; provided, that in the case of representatives to Congress such twenty-five electors shall be qualified electors of the congressional district for which the person nominated is a candidate."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 210**

**H. B. NO. 8**

A Bill for an Act Relating to Retirement and Removal of Justices and Judges.

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

**PART I**

**COMMISSION FOR JUDICIAL QUALIFICATION**

**SECTION 1.** Commission for judicial qualification established; composition. There is established within the office of the governor for administrative purposes only a commission to be known as the Commission for Judicial Qualification. The commission shall consist of five members to be appointed by the governor, subject to confirmation by the state senate, from a panel of ten persons who shall be nominated by the judicial council. Each member shall have been a citizen of the United States and a resident of the State of Hawaii for at least five years next preceding his appointment.

The chairman of the commission shall be appointed by the governor. The term of each member shall be four years, provided that of the five members initially appointed, two members shall hold office for two years, two members for three years and one member for four years. No person shall be appointed consecutively to more than two terms as a member of the commission. Vacancies shall be filled for the remainder of any unexpired term in the same manner as original appointments except that the judicial council shall nominate two persons for each vacancy.

**SECTION 2.** Duties of commission; complaint, hearing, determination. The commission shall have the following powers and duties:

(1) It shall initiate, receive and consider charges concerning alleged misconduct or incapacity of a supreme court justice or a circuit court judge.

(2) It may subpoena witnesses, administer oaths and take testimony relating to matters before the commission.

**SECTION 3.** Commission procedure. (a) Any charges concerning a justice or judge must be in writing, signed by the person making the charge under oath, except that any charge initiated by the commission must be signed by at least two members of the commission. The commission may notify in writing every justice or judge against whom a charge is received and afford him an op-

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portunity to explain the alleged charges. The commission shall investigate all charges on a confidential basis, having available all the powers herein provided, and proceedings shall not be public. If a majority of the members of the commission determine that there is probable cause for belief that a justice or judge appears to be so incapacitated as substantially to prevent him from performing his judicial duties or has acted in a manner that constitutes wilful misconduct in office, wilful and persistent failure to perform his duties, habitual intemperance, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute, the commission shall certify its findings to the governor within thirty days after such determination.

(b) Any commission member or individual, including the individual making the charge, who divulges information concerning the charge prior to the certification of the charge by the commission to the governor, or if the investigation discloses that the certification should not be issued by the commission, at any time divulges any information concerning the original charge, or divulges the contents or disclosures, except as permitted by this Act, shall be guilty of a felony which shall be punishable by a fine of not more than \$5,000 or imprisonment of not more than five years, or both.

### **PART II**

### **BOARD OF JUDICIAL REMOVAL**

#### **SECTION 4. Board of judicial removal; composition.**

The governor upon receipt of the commission's certification of its findings shall appoint a board to adjudicate the charge. The board shall consist of three members appointed by the governor of which one member shall be the chief justice or any associate justice as designated by the governor who shall act as chairman of the board.

**SECTION 5. Board procedure.** (a) The board shall conduct hearings. It may subpoena witnesses, administer oaths and take testimony relating to matters before the board and order the production for examination of any books or papers relative to any matter under investigation or in question before the board.

(b) The board shall set a time and place for a hearing, giving notice to the complainant and justice or judge involved. All parties shall have an opportunity (1) to be heard, (2) to subpoena witnesses and require the production of any books or papers relative to the proceedings, (3) to be represented by counsel, and (4) to have the right of cross-examination. All witnesses shall testify under oath and the hearings shall be closed to the public unless the party complained against requests an open hearing. The board shall not be bound by the strict rules of evidence but the board's findings must be based upon competent and substantial evidence.

(c) The findings and recommendations of the board shall be in writing and shall be signed by at least two members of the board. The board shall dissolve upon recommendation to the governor.

#### **SECTION 6. Removal or retirement by governor.** If the board recom-

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mends that the justice or judge should not remain in office, the governor shall remove or retire him from office within thirty days after receipt of the certification of the board's findings. A justice or judge retired by the governor shall be considered to have retired voluntarily. A justice or judge removed by the governor shall be ineligible for any judicial office.

**SECTION 7.** Rules and regulations. All the hearings and proceedings by the commission and board shall be governed by this Act and by the rules and regulations adopted by the commission and board, respectively.

**SECTION 8.** No compensation. The members of the commission and the board shall serve without compensation and shall be allowed all actual and necessary expenses incurred in the performance of their duties.

**SECTION 9.** Staff. The commission and the board may employ and at pleasure remove such persons as it may deem necessary for the performance of its functions and fix their compensation within the amounts made available by appropriation therefor. The employees of the commission and the board shall be exempt from the provisions of chapters 3 and 4 of the Revised Laws of Hawaii 1955.

**SECTION 10.** Severability. If any provision of this Act, or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

**SECTION 11.** This Act shall take effect on January 1, 1970.

(Approved July 14, 1969.)

## **ACT 211**

**H. B. NO. 11**

A Bill for an Act Relating to Legislative Hearings and Procedures.

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

**SECTION 1.** Chapter 21, Hawaii Revised Statutes, is amended as follows:

1. By repealing sections 21-1, 21-2, 21-3, 21-4, 21-5, 21-6, 21-7, 21-8, 21-9, 21-10, and 21-11.
2. By amending chapter 21 to read as follows:

### **"LEGISLATIVE HEARINGS AND PROCEDURE**

**Sec. 21-1. Purpose.** The purpose of this chapter is to establish procedures governing legislative investigating committees to provide for the creation and operation of legislative investigating committees in a manner which will enable them to perform properly the powers and duties vested in them, including the conduct of hearings, in a fair and impartial manner, consistent with protection of the constitutional rights of persons called to testify at such hearings and preservation of the public good.

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**Sec. 21-2. Definitions.** As used in this chapter:

(1) "Investigating committee" means any of the following which are authorized to compel the attendance and testimony of witnesses or the production of books, records, papers, and documents for the purpose of securing information on a specific subject for the use of the legislature:

(a) A standing or special or select committee or committee of the whole of either house of the legislature;

(b) A joint committee of both houses;

(c) An authorized subcommittee of a legislative committee, and

(d) Any body created by law, the members of which may include non-legislators.

(2) "Hearing" means any meeting in the course of an investigatory proceeding, other than a preliminary conference or interview at which no testimony is taken under oath, conducted by an investigating committee for the purpose of taking testimony or receiving other evidence. A hearing may be open to the public or closed to the public.

(3) "Public hearing" means any hearing open to the public, or the proceedings of which are made available to the public.

**Sec. 21-3. Establishment of investigating committees by legislature.** (a)

An investigating committee may exercise its powers during sessions of the legislature, and also in the interim between sessions when so provided by law or by the concurrent or single house resolution or statute by which the committee was established or from which it derives its investigatory powers.

(b) The concurrent or single house resolution or statute establishing an investigating committee shall state the committee's purposes, powers, duties and duration, the subject matter and scope of its investigatory authority, and the number of its members.

**Sec. 21-4. Adoption of rules.** Each investigating committee shall adopt rules, not inconsistent with law or any applicable rules of the legislature, governing its procedures, including the conduct of hearings.

**Sec. 21-5. Finances and staff.** Each investigating committee may employ such professional, technical, clerical, or other personnel as necessary for the proper performance of its duties, to the extent of funds made available to it for such purpose and subject to such restrictions and procedures relating thereto as may be provided by law or any applicable rules of the legislature.

**Sec. 21-6. Membership, quorum, voting.** (a) An investigating committee shall consist of not less than five members.

(b) A quorum shall consist of a majority of the total authorized membership of the committee.

(c) No action shall be taken by a committee at any meeting unless a quorum is present. The committee may act by a majority vote of the members present and voting at a meeting at which there is a quorum, unless the provisions of this chapter or any other statute require a greater number or proportion.

**Sec. 21-7. Hearings.** (a) An investigating committee may hold hear-

ings appropriate for the performance of its duties, at such times and places as the committee determines.

(b) The committee shall provide by its rules that each member of the committee be given at least three days written notice of any hearing to be held when the legislature is in session and at least seven days written notice of any hearing to be held when the legislature is not in session. The notices shall include a statement of the subject matter of the hearing. A hearing, and any action taken at a hearing, shall not be deemed invalid solely because notice of the hearing was not given in accordance with this requirement.

(c) Any investigating committee shall not conduct a hearing unless a quorum is present.

**Sec. 21-8. Issuance of subpoenas.** (a) The president or speaker or other presiding officer of either house of the legislature may issue subpoenas requiring the attendance of witnesses and subpoenas duces tecum requiring the production of books, documents, or other evidence, in any matter pending before either house, or committee, as the case may be.

(b) Every investigating committee, when authorized by either house or both houses, as the case may be, may issue, by majority vote of all its members, subpoenas requiring the attendance of witnesses and subpoenas duces tecum requiring the production of books, documents, or other evidence, in any matter pending before the committee.

(c) A person subpoenaed to attend a hearing of an investigating committee shall receive the same fees and allowances as a person legally required to attend upon a circuit court or a grand jury in any criminal case pursuant to section 621-7.

(d) Any subpoena, warrant of arrest or other process issued under the authority of any house or of both houses of the legislature shall run in the name of the State of Hawaii and shall be addressed to any or all of the following officers: the sergeant-at-arms of either house of the legislature; the sergeant-at-arms of both houses of the legislature, in the case of a subpoena issued in behalf of a joint committee of both houses; the sheriff or his deputies; the chief of police of any county or his deputies; any police officer of the State or any county. The subpoena, warrant or other process shall be signed by the officer authorized to issue it, shall set forth his official title, shall contain a reference to the rule, or concurrent, or other resolution, or other means, by which the taking of testimony or other evidence, or the issuance of such warrant or other process, was authorized, and shall, in the case of a summons or subpoena, set forth in general terms the matter or question with reference to which the testimony or other evidence is to be taken.

(e) Any officer to whom such process is directed, if within his territorial jurisdiction, shall forthwith serve or execute the same upon delivery thereof to him, without charge or compensation, except as provided in section 21-8 (f).

(f) The house, or both houses of the legislature in the case of a subpoena or process issued by a joint committee, shall compensate or reimburse any officer serving or executing the subpoena or process for his actual expenses, if any, in connection therewith.

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**Sec. 21-9. Notice to witnesses.** (a) Service of a subpoena requiring the attendance of a person at a hearing of an investigating committee shall be made at least five days prior to the date of the hearing unless a shorter period of time is authorized by majority vote of all the members of the committee in a particular instance when, in their opinion, the giving of five days notice is not practicable; but if a shorter period of time is authorized, the person subpoenaed shall be given reasonable notice of the hearing, consistent with the particular circumstances involved.

(b) Any person who is served with a subpoena to attend a hearing of an investigating committee also shall be served with a copy of the resolution or statute establishing the committee, a copy of the rules under which the committee functions, a general statement informing him of the subject matter of the committee's investigation or inquiry, and a notice that he may be accompanied at the hearing by counsel of his own choosing.

**Sec. 21-10. Conduct of hearings.** (a) All hearings of an investigating committee shall be public unless the committee, by two-thirds vote of all of its members, determines that a hearing should not be open to the public in a particular instance.

(b) The chairman of an investigating committee, if present and able to act, shall preside at all hearings of the committee and shall conduct the examination of witnesses himself or supervise examination by other members of the committee, the committee's counsel, or members of the committee's staff who are so authorized. In the chairman's absence or disability, the vice-chairman shall serve as presiding officer. The committee shall provide by its rules for the selection of a presiding officer to act in the absence or disability of both the chairman and the vice-chairman.

(c) No hearing, or part thereof, shall be televised, filmed, or broadcast except upon approval of the committee, by majority vote of all of its members.

**Sec. 21-11. Right to counsel and submission of questions.** (a) Every witness at a hearing of an investigating committee may be accompanied by counsel of his own choosing, who may advise the witness as to his rights, subject to reasonable limitations which the committee may prescribe to prevent obstruction of or interference with the orderly conduct of the hearing.

(b) Any witness at a hearing, or his counsel, may submit to the committee proposed questions to be asked of the witness or any other witness relevant to the matters upon which there has been any questioning or submission of evidence, and the committee shall ask such of the questions as are appropriate to the subject matter of the hearing.

**Sec. 21-12. Testimony.** (a) An investigating committee shall cause a record to be made of all proceedings in which testimony or other evidence is demanded or adduced, which record shall include rulings of the chair, questions of the committee and its staff, the testimony or responses of witnesses, sworn written statements submitted to the committee, and such other matters as the committee or its chairman may direct.

(b) All testimony given or adduced at a hearing shall be under oath or af-

firmation unless the requirement is dispensed with in a particular instance by majority vote of the committee members present at the hearing.

(c) The president or speaker or other presiding officer of either house of the legislature or any member of an investigating committee may administer an oath or affirmation to a witness at a hearing of such committee.

(d) The presiding officer at a hearing may direct a witness to answer any relevant question or furnish any relevant book, paper, or other document, the production of which has been required by subpoena duces tecum. Unless the direction is overruled by majority vote of the committee members present, disobedience shall constitute a contempt.

(e) A witness at a hearing or his counsel, with the consent of a majority of the committee members present at the hearing, may file with the committee for incorporation into the record of the hearing sworn written statements relevant to the purpose, subject matter, and scope of the committee's investigation or inquiry.

(f) A witness at a hearing, upon his advance request and at his own expense, shall be furnished a certified transcript of his testimony at the hearing.

(g) Testimony and other evidence given or adduced at a hearing closed to the public shall not be made public unless authorized by majority vote of all of the members of the committee, which authorization shall also specify the form and manner in which the testimony or other evidence may be released.

(h) All information of a defamatory or highly prejudicial nature received by or for the committee other than in an open or closed hearing shall be deemed to be confidential. No such information shall be made public unless authorized by majority vote of all of the members of the committee for legislative purposes, or unless its use is required for judicial purposes.

**Sec. 21-13. Interested persons.** (a) Any person whose name is mentioned or who is otherwise identified during a hearing of an investigating committee and who, in the opinion of the committee, may be adversely affected thereby, may, upon his request or upon the request of any member of the committee, appear personally before the committee and testify in his own behalf, or, with the committee's consent, file a sworn written statement of facts or other documentary evidence for incorporation into the record of the hearing.

(b) Upon the consent of a majority of its members, an investigating committee may permit any other person to appear and testify at a hearing or submit a sworn written statement of facts or other documentary evidence for incorporation into the record thereof. No request to appear, appearance, or submission of evidence shall limit in any way the investigating committee's power of subpoena.

(c) Any person who appears before an investigating committee pursuant to this section shall have all the rights, privileges, and responsibilities of a witness provided by this chapter.

**Sec. 21-14. Contempt.** (a) A person shall be in contempt if he:

(1) Fails or refuses to appear in compliance with a subpoena or, having appeared, fails or refuses to testify under oath or affirmation;

(2) Fails or refuses to answer any relevant question or fails or refuses to

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furnish any relevant book, paper, or other document subpoenaed by or on behalf of an investigating committee, or

(3) Commits any other act or offense against an investigating committee which, if committed against the legislature or either house thereof, would constitute a contempt.

(b) An investigating committee may, by majority vote of all its members, report to the legislature or the house thereof by which it was established, any instance of alleged contempt. The president or speaker shall certify a statement of such contempt under his signature as president or speaker, as the case may be, to the attorney general who shall prosecute the offender in any court of the State. If the legislature is not in session, a statement of the alleged contempt shall be certified by the chairman or acting chairman of the committee concerned, under his signature, to the attorney general who shall prosecute the offender as aforesaid. An instance of alleged contempt shall be considered as though committed in or against such house or the legislature itself.

**Sec. 21-15. Penalties.** (a) A person guilty of contempt under this chapter shall be fined not more than \$1,000 or imprisoned not more than one year or both.

(b) If any investigating committee fails in any material respect to comply with the requirements of this chapter, any person subject to a subpoena or a subpoena duces tecum who is injured by the failure shall be relieved of any requirement to attend the hearing for which the subpoena was issued or, if present, to testify or produce evidence therein; and the failure shall be a complete defense in any proceeding against the person for contempt or other punishment.

(c) Any person other than the witness concerned or his counsel who violates subsection 21-12(g) or (h) shall be fined not more than \$500 or imprisoned not more than six months, or both. The attorney general, on his own motion or on the application of any person claiming to have been injured or prejudiced by an unauthorized disclosure may institute proceedings for trial of the issue and imposition of the penalties provided herein. Nothing in this subsection shall limit any power which the legislature or either house thereof may have to discipline a member or employee or to impose a penalty in the absence of action by a prosecuting officer or court.

**Sec. 21-16. Government officer and employees to cooperate.** The officers and employees of the State and of each county shall cooperate with any investigating committee or committees or with their representatives and furnish to them or to their representatives such information as may be called for in connection with the research activities of the committees.

**Sec. 21-17. Sergeants-at-arms; powers and duties.** The sergeant-at-arms of each house of the legislature, and each of his deputies appointed by authority of such house, shall:

(a) Attend such house during its sittings;

(b) Maintain order under the direction of the speaker, president or other presiding officer of such house;

(c) Under the direction of the clerk of such house, execute the commands of such house and all processes issued by authority thereof, directed to him by the speaker, president or other presiding officer of such house, or by the chairman or acting chairman of any joint committee established by a concurrent resolution of the two houses of the legislature, or by the chairman or acting chairman of any committee of either house. In such connection the sergeant-at-arms and each of his deputies shall have all the powers and authority of a sheriff appointed under chapter 28.

**Sec. 21-18. Same; badge.** The symbol of the office of the sergeant-at-arms of each house of the legislature shall be a metal badge in such form as such house shall adopt, bearing the words, among others, "Sergeant-at-Arms of the Senate, State of Hawaii," or "Sergeant-at-Arms of the House of Representatives, State of Hawaii," as the case may be, and shall be displayed by him in enforcing or carrying out his duties.

**Sec. 21-19. Limitations.** Nothing contained in this chapter shall be construed to limit or prohibit the acquisition of evidence or information by an investigating committee by any lawful means not provided for herein.

**Sec. 21-20. Severability.** If any provision of this chapter, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

ACT 212

H. B. NO. 38

A Bill for an Act Relating to Poultry Inspection.

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

#### PART I. GENERAL PROVISIONS

SECTION 1. Short title. This Act shall be known and may be cited as the "Hawaii Poultry Inspection Act."

SECTION 2. Findings and declaration of necessity. It is hereby declared that the poultry industry is a paramount agricultural industry of this State and the production and marketing of poultry is an enterprise that is of significant importance to the economy of the State and to the health of the consuming public. It is essential to the public health and welfare of consumers that they be protected by assuring that poultry or poultry products distributed to them are wholesome, not adulterated, and properly marked, labeled, and packaged. Unwholesome, adulterated, or misbranded poultry or poultry products are injurious to the public health and welfare, destroy markets for wholesome, not adulterated, and properly labeled and packaged poultry or poultry products, and

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result in sundry losses to poultry producers and processors of poultry as well as injury to consumers. The unwholesome, adulterated, mislabeled, or deceptively packaged articles can be sold at lower prices and compete unfairly with the wholesome, not adulterated, and properly labeled and packaged articles, to the detriment of consumers and the public generally. It is hereby found that regulation by the Department of Agriculture and cooperation by this State with the United States Department of Agriculture as contemplated by this Act is appropriate to protect the health and welfare of consumers and otherwise to effectuate the purposes of this Act.

The 90th Congress enacted Public Law 90-492, entitled "The Wholesome Poultry Products Act". Said Act is intended to protect the consuming public from adulterated or misbranded poultry or poultry products and to assist the states in their efforts to accomplish this objective. The Act authorizes the United States Secretary of Agriculture to furnish financial and related assistance to states for the administration of poultry inspection programs which conform to established federal standards up to 50% of the estimated total cost of the cooperative program. Hawaii's poultry industry is not subject to poultry inspection law or rules and regulations that meet the minimum federal requirement in this area. The State in order to qualify for the cooperative program, must demonstrate "progressive action" by July 18, 1970; and, further, all physical facilities must be upgraded in accordance with the established federal standards by July 18, 1971. Failure to comply with the standards prescribed by said Act will result in Federal control of the poultry or poultry processing industries of the State. Accordingly, the State of Hawaii deems it to be in the interest of the State's public health and welfare to take such steps as are necessary to qualify for federal financial and related assistance for the administration of a poultry inspection program which conforms to federal standards prescribed in said Federal Act.

### **SECTION 3. Definitions.**

"Animal Food Manufacturer" means any person engaged in the business of manufacturing or processing animal food derived wholly or in part from carcasses, or parts or products of the carcasses, of poultry.

"Board" means the board of agriculture or its designated representative.

"Department" means the department of agriculture.

"Person" is defined in the manner set forth in section 1-19, Hawaii Revised Statutes.

"Wholesaler" means any person who buys or sells poultry or poultry products in trade channels other than retail. For the purpose of this Act a wholesaler who also has retail operations will be deemed to be a wholesaler.

"Intrastate commerce" means commerce within this State.

"Licensee" means a person issued a license under Part III of this Act.

"Poultry" means any domesticated bird, whether live or dead.

"Poultry product" means any poultry carcass or part thereof, or any food product which is made wholly or in part from any poultry carcass or part thereof, excepting products which contain poultry ingredients only in a relatively small proportion or historically have not been considered by consumers

as products of the poultry food industry, and which are exempted by the board from definition as poultry food product under such conditions as the board may prescribe to assure that the poultry ingredients in the products are not adulterated and that the products are not represented as poultry products.

"Poultry broker" means any person engaged in the business of buying or selling poultry or poultry products on commission, or who otherwise negotiates the purchase or sale or exchange of such poultry or poultry product other than for his own account or as an employee of another person, firm or corporation.

"Renderer" means any person engaged in the business of rendering carcasses or parts or products of the carcasses of poultry, except rendering conducted under inspection or exemption under this Act.

"Capable of use as human food" shall apply to any carcass, or part or product of a carcass, of any poultry, unless it is denatured or otherwise identified as required by regulations prescribed by the board to deter its use as human food, or it is naturally inedible by humans.

"Processed" means slaughtered, canned, boned, salted, stuffed, rendered, cut up, or otherwise manufactured or prepared.

"Adulterated" shall apply to any poultry or poultry product under one or more of the following circumstances:

(1) if it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, the poultry or poultry product shall not be considered adulterated under this clause if the quantity of substance in or on such poultry or poultry product does not ordinarily render it injurious to health.

(2) (A) if it bears or contains by reason of administration of any substance to the live poultry or otherwise any added poisonous or added deleterious substance other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive which may, in the judgment of the board make the poultry or poultry product unfit for human consumption.

(B) if it is, in whole or in part, a raw agricultural commodity and the commodity bears or contains a pesticide chemical which is unsafe under the Federal Food, Drug, and Cosmetic Act or the Hawaii Food, Drug and Cosmetic Act.

(C) if it bears or contains any food additive which is unsafe under the Federal Food, Drug, and Cosmetic Act or the Hawaii Food, Drug and Cosmetic Act.

(D) if it bears or contains any color additive which is unsafe under the Federal Food, Drug, and Cosmetic Act or the Hawaii Food, Drug, and Cosmetic Act; provided that poultry or poultry products which are not adulterated under clauses (B), (C), or (D) shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive in or on such poultry or poultry products are prohibited by regulations of the board in establishments at which official inspection is maintained under Part IV of this Act;

(3) if it consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthful, unwholesome, or otherwise unfit for human food;

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(4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;

(5) if it is, in whole or in part, a product of poultry which has died otherwise than by slaughter;

(6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;

(7) if it has been intentionally or unintentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect under the Federal Food, Drug, and Cosmetic Act or the Hawaii Food, Drug, and Cosmetic Act.

(8) if any valuable constituent has been in whole or in part omitted or abstracted therefrom; or if any substance has been substituted, wholly or in part thereof; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

"Misbranded" shall apply to any poultry or poultry product under one or more of the following circumstances:

(1) if its labeling is false or misleading in any particular;

(2) if it is offered for sale under the name of another food;

(3) if it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" and immediately thereafter, the name of the food imitated;

(4) if its container is so made, formed, or filled as to be misleading;

(5) if in a package or other container unless it bears a label showing (A) the name and place of business of the manufacturer, packer, or distributor; and (B) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; provided that, under clause (B) of this subparagraph (5), reasonable variations may be permitted, and exemptions as to small packages may be established, by regulations prescribed by the board;

(6) if any word, statement, or other information required by or under authority of this Act to appear on the label or other labeling is not prominently placed thereon with such conspicuousness, as compared with other words, statements, designs, or devices, in the labeling, and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

(7) if it purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by regulations of the board under this Act unless (A) it conforms to such definition and standard, and (B) its label bears the name of the food specified in the definition and standard and, insofar as may be required by such regulations, the common names of optional ingredients, other than spices, flavoring, and coloring, present in such food;

(8) if it purports to be or is represented as a food for which a standard or standards of fill of container have been prescribed by regulations of the board under this Act, and it falls below the applicable standard of fill of container,

unless its label bears, in such manner and form that the regulations specify, a statement that it falls below such standard;

(9) if it is not subject to the provisions of subparagraph (7), unless its label bears (A) the common or usual name of the food, if any, and (B) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient, except that spices, flavorings, and colorings may when authorized by the board be designated as spices, flavoring, and colorings without naming each; provided that, to the extent that compliance with the requirements of clause (B) of this subparagraph (9) is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the board;

(10) if it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the board, after consultation with the United States Secretary of Agriculture, determines to be, and by regulations prescribes as, necessary in order fully to inform purchasers as to its value for such uses;

(11) if it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact; provided that to the extent that compliance with the requirements of this subparagraph (11) is impracticable, exemptions shall be established by regulations promulgated by the board; or

(12) if it fails to bear, directly thereon or on its container, as the board may by regulations prescribe, the inspection legend and, unrestricted by any of the foregoing, such other information as the board may require in regulations to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the poultry or poultry products in a wholesome condition.

“State” means State of Hawaii.

“Container” or “Package” includes any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover.

“Label” means a display of written, printed, or graphic matter upon the immediate container, not including package liners, of any poultry or poultry product.

“Labeling” means all labels and other written, printed, or graphic matter (1) upon any poultry or poultry product or any of its containers or wrappers, or (2) accompanying such poultry or poultry product.

“Federal Poultry Products Inspection Act” means the Act so entitled approved August 28, 1957, (Public Law 85-172; 71 Stat. 441, USC 451 et. seq.), as amended by the Wholesome Poultry Products Act (Public Law 90-492; 82 Stat. 791), and Acts amendatory thereof or supplementary thereto.

“Federal Food, Drug, and Cosmetic Act” means the Act so entitled, approved June 25, 1938 (Public Law 75-765; 52 Stat. 1040), and Acts amendatory thereof or supplementary thereto.

“Pesticide chemical”, “food additive”, “color additive”, and “raw agricultural commodity” shall have the same meanings for purposes of this Act as under the Federal Food, Drug and Cosmetic Act.

“Official mark” means the official inspection legend or any other symbol

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prescribed by regulations of the board to identify the status of any poultry or poultry product under this Act.

“Official inspection legend” means any symbol prescribed by regulations of the board showing that poultry or poultry products were inspected and passed in accordance with this Act.

“Official certificate” means any certificate prescribed by regulations of the board for issuance by veterinarians, meat inspectors, or other persons performing official functions under this Act.

“Official device” means any device described or authorized by the board for use in applying any official mark.

“Official establishment” means any establishment as determined by the board at which inspection of the slaughter of poultry, or the processing of poultry products, is maintained under this Act.

“Reinspection” means the re-examination of poultry and poultry products previously inspected and the inspection of poultry and poultry products during processing.

### **PART II. ADMINISTRATION, POWERS AND DUTIES**

**SECTION 4.** Division of animal industry. The division of animal industry of the department of agriculture shall administer this Act subject to the supervision of the board. The board may delegate any of its powers under this Act, except the power to make rules and regulations, or may direct any of its duties to be performed by any appropriate agents, officers, or employees of the board.

The board may employ on a full or part-time basis veterinarians and poultry inspectors, subject to chapters 76 and 77, Hawaii Revised Statutes, to carry out a uniform inspection system of poultry or poultry products throughout the State. All poultry inspectors shall be under the supervision and control of a veterinarian employed by the board.

**SECTION 5.** General powers. The department of agriculture through its board shall regulate, supervise, inspect and control the manufacture, processing, slaughtering, transportation, packaging, labeling, and disposal of poultry or poultry products involved in intrastate commerce. The board may make, amend, and repeal rules and regulations necessary to implement the intent and purpose of this Act, subject to chapter 91, Hawaii Revised Statutes, governing the following matters:

- (1) The issuance of licenses, including the class or classes of licenses to be issued;
- (2) The type of equipment or facilities which may be used in poultry slaughtering and poultry processing operations;
- (3) The internal operations of poultry slaughterhouses and of poultry processing establishments;
- (4) Inspection procedures for ante-mortem and post-mortem inspections and the reinspection of poultry or poultry products used in processing and in the disposal of diseased carcasses and parts of carcasses and poultry or poultry products found unwholesome or otherwise unfit for human consumption;

- (5) The hours of slaughtering and processing, and the conditions under which slaughtering and processing may be conducted at other than scheduled times;
- (6) The labeling and packaging of poultry or poultry products.
- (7) Storing, handling, and transportation of poultry or poultry products.
- (8) Such other matters as may be necessary to implement the purposes of this Act.

#### **SECTION 6. Information, Investigations, Hearings.**

For the purpose of enforcing the provisions of this Act, the board may:

- (a) Gather and compile information which relates to the business operations of persons being regulated under this Act and such other information necessary to effectuate the purposes of this Act.

Information obtained in confidence by the board shall be kept confidential and shall not be disclosed by the board except under order of court.

- (b) Hold hearings, take testimony, administer oaths, subpoena witnesses and issue subpoenas for the production of records, or documents of any kind. Upon failure or refusal of any witness to obey any subpoena, the board may petition the circuit court, and upon proper showing, the court may enter an order compelling the witness to appear and testify or produce documentary evidence. Failure to obey the order of court shall be punishable as a contempt of court.

No person shall be excused from attending and testifying or from producing documentary evidence before the board in obedience to a subpoena of the board on the ground or for the reason that the testimony or evidence, documentary, or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege of self-incrimination, to testify, or produce evidence, documentary or otherwise, before the board in obedience to a subpoena issued by said board; provided, that, no person so testifying shall be exempt from prosecution for perjury committed in so testifying.

- (c) Request the attorney general of this state to seek relief from the appropriate circuit courts for writs of mandamus commanding any person, firm, or corporation to comply with the provisions of this Act or any order of the board made in pursuance thereof or to enjoin any violation of this Act or any order of the board.

Witnesses summoned before the board shall be paid the same fees and mileage that are paid witnesses in the circuit courts of this state, and witnesses whose depositions are taken and the persons taking them shall severally be entitled to the same fees as are paid for like services in said courts.

#### **PART III. LICENSING**

#### **SECTION 7. Certificate of sanitation.** The board may issue certificates of sanitation to poultry slaughter-houses, and poultry processors, which are subject to the provisions of this Act and which meet minimum sanitary specifi-

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cations required for (a) the slaughtering of poultry for use of the poultry or poultry products in intrastate commerce, and (b) for the processing, transporting, storing, and handling of such poultry or poultry products in intrastate commerce. The board may promulgate and adopt rules and regulations, subject to chapter 91, Hawaii Revised Statutes, governing the minimum sanitary specifications required to be met in connection therewith and prescribing forms, requiring reports and providing for periodic renewals of such certificates.

Notwithstanding any requirement under this Act or the rules and regulations promulgated hereunder which require the renovation or upgrading of the physical facilities of poultry slaughterhouses or poultry processors in order to obtain a certificate of sanitation, the board shall, as of the effective date of this Act, issue certificates of sanitation to poultry slaughterhouses and poultry processors who are now in business, and shall otherwise call on them to continue their operations; provided, however, that the facilities of said poultry slaughterhouses and poultry processors shall be sanitary and that the products which emerge from their respective operations are wholesome, not adulterated and fit for human and other consumption; and provided further, that upon the sale or transfer of any of the foregoing businesses, the purchasers shall be required to meet all of the requirements provided herein and the rules and regulations promulgated hereunder.

**SECTION 8.** License required. It shall be unlawful for any person to engage in the business of slaughtering poultry or manufacturing or processing of poultry or poultry products without a license as required under this part.

**SECTION 9.** Application for a license. The board may issue licenses to poultry slaughterhouses and poultry processing establishments having certificates of sanitation issued under section 7. An applicant for an original or renewal license to operate as a poultry slaughter-house operator or poultry processor shall file an application upon a form prepared by the board, containing such information which the board deems necessary for the administration of this Act.

The license year shall be from July 1 to the following June 30. All applications for renewal of licenses must be made at least 30 days before the commencement of the license year.

**SECTION 10.** License fees. A fee of \$25 per license year shall be assessed. The license fees collected shall be deposited with the state general fund.

**SECTION 11.** Granting, suspending, and revoking licenses. The action of the board in refusing to grant or renew a license, or in revoking or suspending a license, may be reviewed in the manner provided by chapter 91, Hawaii Revised Statutes.

(a) No license shall be denied unless the board finds after due notice and opportunity of hearing in accordance with chapter 91, Hawaii Revised Statutes, one or more of the following:

(1) That the applicant does not qualify or does not possess the facilities to conduct a business properly.

(2) That the applicant does not have the financial responsibility to con-

duct a business properly.

(3) That the issuance of a license is otherwise not in the public interest.

(b) The board may refuse to renew a license or may suspend or revoke a license upon due notice and opportunity of hearing in accordance with chapter 91, Hawaii Revised Statutes, to the licensee when it finds any of the following:

(1) The licensee has been adjudged a bankrupt.

(2) The licensee has violated chapter 480, Hawaii Revised Statutes, and said violation is directly or indirectly involved with the State poultry industry.

(3) The licensee has failed to keep records or to furnish the statements or information required by the board.

(4) The licensee has intentionally made a false or misleading statement upon which the license was issued.

(5) The licensee has violated or failed to comply with any of the provisions of this Act.

(6) The licensee has ceased to operate the business for which the license was issued.

(c) The board may conditionally renew a license or may conditionally decline to suspend or revoke a license, but such condition shall have appropriate relation to the administration of this Act.

**SECTION 12. Records of Licensees.** The board may, by regulations, require licensees to keep such records and information as it deems necessary for the proper enforcement of this Act.

#### **PART IV. INSPECTION, LABELING, SANITATION, AND EXEMPTIONS**

**SECTION 13. Ante-mortem inspection.** For the purpose of preventing the use in intrastate commerce of poultry or poultry products which are adulterated, the board shall cause to be made, by veterinarians and poultry inspectors appointed for that purpose, an examination and inspection of all poultry, before they are allowed to enter into any poultry slaughtering, packing, poultry-canning, or similar establishment in this state in which slaughtering and processing of poultry or poultry products are conducted solely for intrastate commerce; and all poultry found on such inspection to show symptoms of disease shall be set apart from all other poultry and slaughtered or otherwise disposed of as provided in the rules and regulations, and when so slaughtered, the carcasses of said poultry shall be subject to a careful examination and inspection, all as provided by the rules and regulations to be prescribed by the board.

**SECTION 14. Post-mortem inspection; reinspection.** A post-mortem examination and inspection of the carcasses and parts thereof of all poultry capable of use as human food, to be processed at any slaughtering, poultry-canning, packing, or similar establishment in this state in which such poultry or poultry products are prepared solely for intrastate commerce; and the carcasses and parts thereof of all such poultry or poultry products found to be not adulterated shall be marked, stamped, tagged, or labeled, as "Hawaii inspected and passed"; and said inspectors shall label, mark, stamp, or tag as "Hawaii inspected and condemned", all carcasses and parts thereof of poultry or poultry products found to be adulterated; and all carcasses and parts thereof thus in-

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spected and condemned shall be destroyed for food purposes by the establishment in the presence of an inspector, and the board may remove inspectors from any such establishment which fails to so destroy any condemned carcass or part thereof, and the inspectors, after the first inspection shall, when they deem it necessary, reinspect said carcasses or parts thereof to determine whether since the first inspection the same have become adulterated and if any carcass or any part thereof shall, upon examination and inspection subsequent to the first examination and inspection, be found to be adulterated, it shall be destroyed for food purposes by the establishment in the presence of an inspector, and the board may withdraw inspection from any establishment which fails to so destroy any condemned carcass or part thereof.

The foregoing provisions, including those in section 13, shall apply to all poultry and carcasses or parts of carcasses of poultry or poultry products thereof, capable of use as human food, which may be brought into any poultry slaughtering, poultry-canning, packing, or similar establishment, where inspection under this part is maintained, and such examination and inspection shall be made before the carcasses or parts thereof shall be allowed to enter into any establishment wherein the same are to be treated and prepared for poultry products; and the foregoing provisions shall also apply to all such products which, after having been issued from any poultry slaughtering, poultry-canning, packing, or similar establishment, shall be returned to the same or to any similar establishment where such inspection is maintained. The board may limit the entry of poultry or poultry products, and other materials into any establishment at which inspection under this part is maintained, under such conditions it may prescribe to assure that allowing the entry of such poultry or poultry products into such inspected establishments will be consistent with the purpose of this Act.

The board shall cause to be made by veterinarians and poultry inspectors appointed for that purpose an examination and inspection of all poultry or poultry products processed in any poultry slaughtering, poultry-canning, packing, or similar establishment, where such poultry or poultry products are prepared solely for intrastate commerce and for the purposes of any examination and inspection the inspectors shall have access at all times, by day or night, whether the establishment is operating or not, to every part of said establishment; and the inspectors shall mark, stamp, tag or label as "Hawaii inspected and passed" all such poultry or poultry products found to be not adulterated; and said inspectors shall label, mark, stamp, or tag as "Hawaii inspected and condemned" all such poultry or poultry products found adulterated, and all condemned poultry or poultry products shall be destroyed for food purposes and the board may withdraw inspection from any establishment which fails to so destroy such condemned poultry or poultry products.

### **SECTION 15. Labeling, marking, and branding.**

(a) When any poultry or poultry products processed for intrastate commerce which has been inspected as hereinbefore provided and marked "Hawaii inspected and passed" is placed or packed in any can, pot, tin, canvas, or other receptacle or covering in any establishment where inspection under this Act is

maintained, the person processing said product shall cause a label to be attached to said can, pot, tin, canvas, or other receptacle or covering, under supervision of an inspector, which label shall state that the contents thereof have been "Hawaii inspected and passed" under this Act, and no inspection and examination of poultry or poultry products deposited or inclosed in cans, tins, pots, canvas, or other receptacle or covering in any establishment where inspection under this Act is maintained shall be deemed to be complete until such poultry or poultry products have been sealed or inclosed in said can, tin, pot, canvas, or other receptacle or covering under the supervision of an inspector.

(b) All carcasses, parts of carcasses, poultry or poultry products inspected at any establishment under this Act and found to be not adulterated, shall at the time they leave the establishment bear, in distinctly legible form, directly thereon or on their containers, as the board may require, the information required under the definition of the word "misbranded" in section 3.

(c) The board, whenever it determines such action is necessary for the protection of the public, may prescribe by rules and regulations: (1) the styles and sizes of type to be used with respect to material required to be incorporated in labeling to avoid false or misleading labeling of any poultry or poultry products subject to this Act; (2) definitions and standards of identity or composition for poultry or poultry products subject to this Act and standards of fill of container for such poultry or poultry products not inconsistent with any standards established under the Federal Food, Drug, and Cosmetic Act, or under the Federal Poultry Products Inspection Act, and there shall be consultation between the board and the United States Secretary of Agriculture prior to the issuance of such standards to avoid inconsistency between such standards and the federal standards.

(d) No poultry or poultry product subject to this Act shall be sold or offered for sale by any person in intrastate commerce, under any name or other marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other marking and labeling and containers which are not false or misleading and which are approved by the board, are permitted.

(e) If the board has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any poultry or poultry product or other products subject to this Act is false or misleading in any particular, it may direct that use be withheld unless the marking, labeling, or container is modified in such manner as it may prescribe so that it will not be false or misleading. If the person using or proposing to use the marking, labeling, or container does not accept the determination of the board, such person may request a hearing before the board but the use of the marking, labeling, or container shall, if the board so directs, be withheld pending hearing and final determination by the board. Any such determination by the board shall be conclusive unless, within thirty days after receipt of notice of a final determination, the person adversely affected appeals to the circuit court. Said appeal shall be based on the record upon which the determination was based.

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**SECTION 16.** Sanitation. The board shall cause to be made by veterinarians or poultry inspectors, an inspection of the sanitary conditions of all poultry slaughtering, poultry-canning, packing, or similar establishments in which poultry are slaughtered and the poultry or poultry products thereof are processed solely for intrastate commerce and to prescribe the rules and regulations of sanitation under which such establishments shall be maintained; and where the sanitary conditions of any such establishment are such that the poultry or poultry products are rendered adulterated, it shall refuse to allow said poultry or poultry products to be labeled, marked, stamped, or tagged as "Hawaii inspected and passed".

**SECTION 17.** Slaughter, processing, transportation, and selling. No person shall, with respect to any poultry or poultry product:

(a) Slaughter any such poultry or process any such poultry or poultry products which are capable of use as human food, at any establishment processing such poultry or poultry products solely for intrastate commerce, except in compliance with the requirements of this Act.

(b) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce, (1) any such poultry or poultry products which are capable of use as human food, and are adulterated or misbranded at the time of such sale, transportation, offer for sale or transportation, or receipt for transportation; or (2) any poultry or poultry products required to be inspected under this Act unless they have been so inspected and passed.

(c) Do, with respect to any such poultry or poultry products which are capable of use as human food, any act while they are being transported in intrastate commerce or held for sale after such transportation, which is intended to cause or has the effect of causing such poultry or poultry product to be adulterated or misbranded.

**SECTION 18.** Forgery of mark, brand, or label.

(a) No brand manufacturer, printer, or other person shall cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of official certificate or simulation thereof, except as authorized by the board.

(b) No person shall:

(1) forge any official device, mark, or certificate;

(2) without authorization from the board, use any official device, mark, or certificate, or simulation thereof, or alter, detach, deface, or destroy any official device, mark, or certificate;

(3) contrary to the regulations prescribed by the board, fail to use, or to detach, deface, or destroy any official device, mark, or certificate;

(4) knowingly possess, without promptly notifying the board or its representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label or any poultry or poultry product bearing any counterfeit, simulated, forged, or improperly altered official mark;

(5) knowingly make any false statement in any shipper's certificate or

other non-official or official certificate provided for in the regulations prescribed by the board; or

(6) knowingly represent that any poultry or poultry product has been inspected and passed, or exempted, under this Act when, in fact, it has, respectively, not been so inspected and passed, or exempted.

**SECTION 19. Inspectors.** Veterinarians and poultry inspectors shall examine and inspect all poultry, all carcasses and parts thereof, and all poultry products, and the sanitary conditions of all establishments in which poultry or poultry products are processed; and said veterinarians and poultry inspectors shall refuse to stamp, mark, tag, or label any carcass or any part thereof, or poultry product, prepared in any establishment until it shall have actually been inspected and found to be not adulterated; and shall perform such other duties as are provided by this Act and by the rules and regulations to be prescribed by the board and the board shall, from time to time, make such rules and regulations in accordance with chapter 91, Hawaii Revised Statutes, as are necessary for the efficient execution of this Act, and all inspections and examinations made under this Act shall be in accordance with the rules and regulations prescribed by the board and this Act.

**SECTION 20. Bribery.** Any person or any agent or employee of any person who gives, pays, or offers, directly or indirectly, to any inspector, or any other officer or employee of this State authorized to perform any of the duties prescribed by this Act or by the rules and regulations of the board, any money or other thing of value, with intent to influence said inspector, or other officer or employee of this State in the discharge of any duty herein provided for in this Act shall be deemed guilty of a felony, and shall upon conviction thereof, be punished by a fine not more than \$5,000 or imprisoned not more than three years, or both fine and imprisonment; and any inspector, or other officer or employee of this State authorized to perform any of the duties prescribed by this Act who shall accept any money, gift, or other thing of value from any person engaged in intrastate commerce subject to this Act, given with or without intent to influence his official action shall be guilty of a felony and shall, upon conviction be summarily discharged from office and shall be fined not more than \$10,000 or imprisoned not more than three years, or both fine and imprisonment.

**SECTION 21. Exemptions.**

(a) The provisions of this Act requiring inspection of the slaughtering of poultry and the processing of carcasses, parts thereof, and poultry products at establishments conducting such operations shall not apply;

(1) To the slaughtering by any person of poultry of his own raising, and the processing by him of the carcasses, parts thereof, and poultry products of such poultry exclusively for use by him and members of his household and his non-paying guests and employees; nor

(2) To the slaughtering or processing of poultry or poultry products by a producer on his own premises and of his own raising for sale to a consumer and received directly by the consumer on the producer's premises for exclusive use by said consumer and members of his household, his non-paying guests, and employees; nor

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(3) To the custom slaughter by any person of poultry delivered by the owner thereof or his agent for such slaughter, and the processing by such slaughterer of the carcasses, parts thereof, and poultry product of such poultry, exclusively for use in the household of such owner, by him, and members of his household and his non-paying guests and employees; provided, that such custom slaughterer does not engage in the business of buying or selling any carcasses, parts thereof, of poultry or poultry products, capable of use in human foods; and provided further, that such slaughter of poultry and processing of poultry or poultry products shall be conducted in accordance with such sanitary conditions, record keeping, registration and disease control provisions as the board may by regulation prescribe;

(b) The transportation of carcasses, parts thereof, poultry or poultry products produced without inspection under the provisions of paragraphs (a)(1), (a)(2), and (a)(3) of this section is prohibited, except under permit issued by the board.

(c) The provisions of this Act requiring inspection of poultry or poultry products shall not apply to operations of type traditionally and usually conducted at retail stores or restaurants, when conducted at any retail store or restaurant store or restaurant or similar retail-type establishment for sale at such establishments and normal retail quantities or service of such poultry or poultry products to consumers; and provided that the processing, handling and storage of poultry or poultry products shall be conducted in accordance with sanitary conditions as the board may by regulation prescribe.

(d) In order to accomplish the objectives of this Act, the board may by regulations exempt such other operations which the board determines would best be exempted to further the purposes of this Act, to the extent that such exemptions conform to the Federal Poultry Products Inspection Act and the federal regulations thereunder.

(e) The board may by order suspend or terminate any exemptions under this section with respect to any person whenever it finds that such action will aid in effectuating the purposes of this Act.

(f) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to poultry or poultry products which are not required to be inspected under this section.

**SECTION 22.** Storing, handling, and transporting. The board may by regulations prescribe conditions under which poultry or poultry products, capable of use as human food, shall be stored or otherwise handled by any person engaged in the business of buying, selling, freezing, storing or transporting, in or for intrastate commerce, such poultry or poultry products, whenever the board deems such action necessary to assure that the poultry or poultry products will not be adulterated or misbranded when delivered to the consumer. Violation of any such regulation is prohibited.

## **PART V. POULTRY PROCESSORS AND RELATED INDUSTRIES**

**SECTION 23.** Records; subject to examination. For the enforcement of this Act, (a) the following classes of persons shall keep such records, as the

board by regulations may prescribe, that will fully and correctly disclose all transactions; and all persons subject to such requirements shall, at all reasonable times, upon notice by an authorized representative of the board afford such representative and any authorized representative of the United States Secretary of Agriculture accompanied by the representative of the board access to their places of business and opportunity to examine the facilities, inventory, and records thereof, to copy all such records, and to take reasonable samples of their inventory upon payment of the fair market value therefor;

(1) Any person that is engaged, in or for intrastate commerce, in the business of slaughtering any poultry or processing, freezing, packaging, or labeling any carcasses, or parts or products of carcasses, of any such poultry, capable of use as human food, or animal food;

(2) Any person that is engaged in the business of buying or selling, as poultry brokers, wholesalers, or otherwise, or transporting in intrastate commerce, or storing in or for such commerce, any carcasses, or parts or products of carcasses, of any such poultry;

(3) Any person that is engaged in business, in or for intrastate commerce, as renderers, or engaged in the business of buying, selling, or transporting, in such commerce, any dead, dying, disabled, or diseased poultry, or parts of the carcasses of any such poultry that died otherwise than by slaughter.

(b) Any record required to be maintained by this section shall be maintained for such period of time as the board may by regulations prescribe.

**SECTION 24.** Inspection and sanitary requirements; sale; transportation. The board may provide by regulations for inspection and sanitary requirements under part IV of this Act at any establishment for the slaughter of poultry or the processing of any carcasses or parts or products of poultry, which are not intended for use as human food, but such poultry or poultry products shall, prior to their offer for sale or transportation in intrastate commerce, unless naturally inedible by humans, be denatured or otherwise identified as prescribed by regulations of the board to deter their use for human food. No person shall buy, sell, transport, or offer for sale or transportation, or receive for transportation, in intrastate commerce, any carcasses, parts thereof, poultry or poultry products of any such poultry, which are not intended for use as human food unless they are denatured or otherwise identified as required by the regulations of the board or are naturally inedible by humans.

**SECTION 25.** Dead, dying, disabled, or diseased poultry. No person engaged in the business of buying, selling, or transporting in intrastate commerce, dead, dying, disabled, or diseased poultry, or any parts of the carcasses of any poultry that died otherwise than by slaughter, shall buy, sell, transport, offer for sale or transportation, or receive for transportation, in such commerce, any dead, dying, disabled, or diseased poultry or parts of the carcasses of any such poultry that died otherwise than by slaughter, unless such transaction or transportation is made in accordance with such regulations as the board may prescribe to assure that such poultry, or the unwholesome parts or products

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thereof, will be prevented from being used for human food purposes.

**SECTION 26.** Registration. No person shall engage in business in or for intrastate commerce, as a poultry broker, renderer, or animal food manufacturer, or as the wholesaler of any carcasses, or parts or products of the carcasses, of any poultry, whether intended for human food or other process, or engage in business as a public warehouseman storing any such articles in or for intrastate commerce, or engage in the business of buying, selling, or transporting in intrastate commerce, any dead, dying, disabled, or diseased poultry or parts of the carcasses of any poultry that died otherwise than by slaughter, unless he has registered with the board his name and the address of each place of business at which, and all trade names under which, he conducts such business.

## **PART VI. INSPECTION SERVICE, WITHDRAWAL, AND COMPENSATION**

**SECTION 27.** Inspection; compensation. All poultry slaughtered by any slaughterhouse licensed under this part shall be inspected by poultry inspectors authorized by the department, both before and after slaughtering, and no such poultry shall be slaughtered, or after slaughter, be sold, transported, offered for sale or transportation, or received for transportation, in intrastate commerce unless the slaughtering or the use after slaughtering in intrastate commerce is approved by poultry inspectors.

The management of any processing establishment, slaughterhouse, or the owner of any poultry to be slaughtered requiring the services of a poultry inspector in any work day, or on Sundays, or other legal holidays, shall pay to the department of agriculture for any overtime inspection services, the current state overtime rate for each man-hour of work performed by the inspector.

The department of agriculture shall pay the inspector, or inspectors, for all overtime inspection services performed, provided that the party requesting or requiring the overtime inspection services shall sufficiently in advance of the overtime period, arrange with the department for the services.

**SECTION 28.** Refusal and withdrawal of inspection. The board may, for such period, or indefinitely, as it deems necessary to effectuate the purposes of this Act, refuse to provide, or withdraw, inspection service under this Act with respect to any establishment if it determines, after opportunity for a hearing is accorded to the applicant for, or recipient of, the service, that the applicant or recipient is unfit to engage in any business requiring inspection under this Act because the applicant or recipient, or anyone responsibly connected with the applicant or recipient, has been convicted, in any federal or state court, of (1) any felony, or (2) more than one violation under any law, based upon the acquiring, handling, or distributing of adulterated, mislabeled, or deceptively packaged food or upon fraud in connection with transactions in food. This section shall not affect in any way other provisions of this Act for withdrawal of inspection services from establishments failing to maintain sanitary conditions or to destroy condemned carcasses, poultry or poultry products.

For the purpose of this section a person shall be deemed to be responsibly connected with the business if he was a partner, officer, director, holder, or owner of ten percent or more of its voting stock or employee in a managerial or

executive capacity. The determination and order of the board with respect thereto under this section shall be final and conclusive unless the affected applicant for, or recipient of, inspection service files application for judicial review within thirty days after the effective date of such order in the appropriate court as provided in part VII. Judicial review of any such order shall be upon the record upon which the determination and order are based.

## PART VII. VIOLATIONS, PENALTIES, PROSECUTION, COMPACTS, CONSTRUCTION

### SECTION 29. Interstate and federal compacts.

(a) The board is designated as the state agency which shall be responsible for cooperating with the United States Secretary of Agriculture under section 5 of the Federal Poultry Products Inspection Act and the board is directed to cooperate with the United States Secretary of Agriculture in developing and administering the poultry inspection program of this State under this Act to assure that not later than July 18, 1970, its requirements will be at least equal to those imposed under the Federal Poultry Products Inspection Act, and in developing and administering the program of this State under this Act in a manner that will effectuate the purposes of this Act and said Federal Act.

(b) In such cooperative efforts, the board is authorized to accept from the United States Secretary of Agriculture advisory assistance in planning and otherwise developing the state program, technical and laboratory assistance and training, including necessary curricular and instructional materials and equipment, and financial and other aid for the administration of such program.

(c) The board is also authorized to recommend to the United States Secretary of Agriculture such officials or employees of this State as the board may designate, for appointment to the advisory committees provided for in section 5 of the Federal Poultry Products Inspection Act; and the board shall serve as the representative of the governor for consultation with the United States Secretary of Agriculture unless the governor selects another representative.

SECTION 30. Penalties; prosecution. Whenever any carcass, part of a carcass, poultry or poultry product or any product exempted from the definition of a poultry product, is found by any representative of the board upon any premises where it is held for purposes of, or during or after distribution in intrastate commerce, and there is reason to believe that any poultry or poultry product is adulterated or misbranded and is capable of use as human food, or that it has not been inspected, in violation of the provisions of this Act or of the Federal Poultry Products Inspection Act or the Hawaii or Federal Food, Drug and Cosmetic Act, or that the poultry or poultry product has been or is intended to be, distributed in violation of any such provisions, it may be detained by such representative for a period not to exceed twenty days, pending action or notification of any federal authorities having jurisdiction over such poultry or poultry products, and shall not be moved by any person from the place at which it is located when so detained, until released by such representative. All official marks may be required by the representative to be removed from the poultry or poultry product before it is released unless it appears to the

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satisfaction of the board that the poultry or poultry product is eligible to retain such marks.

Any carcass, part of a carcass, poultry or poultry product or any dead, dying, disabled, or diseased poultry that is being transported in intrastate commerce, or is held for sale in this State after such transportation, and that (1) is or has been processed, sold, transported, or otherwise distributed or offered or received for distribution in violation of this Act, or (2) is capable of use as human food and is adulterated or misbranded, or (3) in any other way is in violation of this Act, shall be liable to be proceeded against and seized and condemned, at any time, in any circuit court within the jurisdiction of which the poultry or poultry product is found. If the poultry or poultry product is condemned it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs and fees, and storage and other proper expenses, shall be paid into the general fund of this State, but the poultry or poultry product shall not be sold contrary to the provisions of this Act, or the Federal Poultry Products Inspection Act or the Hawaii or Federal Food, Drug, and Cosmetic Act; provided that, upon the execution and delivery of a good and sufficient bond conditioned that the poultry or poultry product shall not be sold or otherwise disposed of contrary to the provision of this Act, or the laws of the United States, the court may direct that such poultry or poultry product be delivered to the owner thereof subject to such supervision by representatives of the board as is necessary to insure compliance with the applicable laws. When a decree of condemnation is entered against the poultry or poultry product and it is released under bond or destroyed, court costs and fees, and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the poultry or poultry product.

The circuit courts of the State are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of this Act, and shall have jurisdiction in all other kinds of cases as may be provided by law.

Any person who violates any provision of this Act for which no other criminal penalty is provided by this Act shall be fined not more than \$1,000 or imprisoned not more than one year, or both, but if the violation involves intent to defraud or any distribution or attempted distribution of poultry and poultry products that is adulterated, the person shall be fined not more than \$10,000 or imprisoned not more than three years, or both; provided that no person shall be subject to penalties under this section for receiving for transportation any poultry or poultry products in violation of this Act if such receipt was made in good faith, unless such person refuses to furnish on request of a representative of the board the name and address of the person from whom he received such poultry or poultry product, and copies of all documents, if any there be, pertaining to the delivery of the poultry or poultry products.

Nothing in this Act shall be construed as requiring the board to report for prosecution or injunction proceedings, minor violations of this Act whenever it believes that the public interest will be adequately served by a suitable written notice of warning.

Any person who neglects or refuses to attend and testify or to answer any

lawful inquiry, or to produce documentary evidence, if in his power to do so, in obedience to the subpoena or lawful requirement of the board shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

Any person who willfully makes, or causes to be made, any false entry or statement of fact in any report required to be made under this Act, or who willfully makes, or causes to be made, any false entry in any account, record, or memorandum kept by any person, subject to this Act or willfully neglects or fails to make, full, true, and correct entries in such accounts, records, or memoranda, of all facts and transactions appertaining to the business of such person or willfully removes out of the jurisdiction of this State, or willfully mutilates, alters, or by any other means falsifies any documentary evidence of any such person or willfully refuses to submit to the board or to any of its agents, for the purpose of inspection and taking copies, any documentary evidence of any such person in his possession or within his control, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

If any person required by this Act to file any annual or special report fails to do so within the time fixed by the board and the failure continues for thirty days after notice of such default, he shall forfeit to this State the sum of \$100 for each day of the continuance of such failure, which forfeiture shall be payable into the State general fund and shall be recoverable in a civil suit in the name of the State brought in the county where the person has his principal office or in any county in which he does business. It shall be the duty of the county attorneys or corporation counsel of the respective counties within the State, upon request of the attorney general, to prosecute for the recovery of such forfeitures.

Any officer or employee of this State who makes public any confidential information obtained by the board unless directed by a court, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

**SECTION 31.** Construction. The licenses required by this Act shall be in addition to any other licenses required by law.

The requirements of this Act shall apply to persons, establishments, poultry and poultry products regulated under the Federal Poultry Products Inspection Act only to the extent provided for in section 23 of said Federal Act.

The operation and effect of and provision of this Act conferring a general power shall not be impaired or qualified by the granting of a specific power or powers. Each provision of this Act is intended to be construed liberally in light of the declaration stated in section 2.

If any of the foregoing provisions are in conflict with any statute, regulation or ordinance, the provisions of this Act shall take precedence.

**SECTION 32.** Severability. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

**SECTION 33.** This Act shall take effect on July 1, 1970.

(Approved July 14, 1969.)

A Bill for an Act Relating to Misrepresentation as to the Use of Proceeds of Sales for Handicapped Persons.

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

SECTION 1. The Hawaii Revised Statutes is amended by adding new sections to be appropriately numbered by the Revisor of Statutes and to read as follows:

**“Section** (a) Aid to handicapped, misrepresentation as to. It shall be unlawful for any person engaging in business for profit or his agents to represent that proceeds from the sale or services by such person or his agent are for the benefit of individuals on account of their being disabled or handicapped when, in fact, the proceeds will not be so used.

(b) A disabled or handicapped person who solicits sales of goods or services by telephone and who represents that he is a disabled or handicapped person shall disclose:

(1) His name and vocational rehabilitation certificate number.

(2) Who his employer is.

(3) The amount of remuneration or commission he will receive from the sale of the goods or services.

(4) That he represents a business for profit which is owned by persons who are not disabled or handicapped if such is the fact.

**“Section** The vocational rehabilitation section of the department of social services shall issue a numbered certificate to a disabled or handicapped person who will engage in the solicitation of goods or services by telephone.

The certificate shall certify that the applicant is a handicapped or disabled person, with a handicap or disability which constitutes a substantial permanent or semi-permanent handicap to employment. The certificate shall be good for one year and may be renewed.

**“Section** . No person in soliciting the sale of goods or services by telephone shall represent that he is a disabled or handicapped person if he does not have a certificate from the vocational rehabilitation section of the department of social services.”

SECTION 2. Section 445-184, Hawaii Revised Statutes, is hereby amended by deleting the words “and provided further that disabled or handicapped persons shall be exempt from this section.” and by substituting a period for the semicolon immediately preceding the deleted proviso.

SECTION 3. Section 468-4, Hawaii Revised Statutes, is amended by deleting the words “provided further that disabled or handicapped persons shall be exempt from this section.” and by substituting a period for the semicolon

immediately preceding the deleted proviso.

**SECTION 4.** Penalty. Any person who violates this act shall be fined not more than \$500 for each violation or imprisoned not more than one year or both.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

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S. B. NO. 51

A Bill for an Act Relating to Meat Inspection.

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

**SECTION 1.** The Hawaii Revised Statutes is hereby amended by adding a new chapter to be appropriately numbered and to read as follows:

### **“CHAPTER HAWAII MEAT INSPECTION ACT”**

#### **PART I. GENERAL PROVISIONS**

**Section -1. Short Title.** This Act shall be known as the ‘Hawaii Meat Inspection Act’.

**Section -2. Findings and declaration of necessity.** It is hereby declared that the meat industry is a paramount agricultural industry of this State and the production and marketing of meat is an enterprise that is of significant importance to the economy of this State and to the health of the consuming public. It is essential to the public health and welfare of consumers that they be protected by assuring that meat and meat products distributed to them are wholesome, not adulterated, and properly marked, labeled, and packaged. Unwholesome, adulterated, or misbranded meat or meat products are injurious to the public health and welfare, destroy markets for wholesome, unadulterated, and properly labeled and packaged meat and meat products and result in sundry losses to livestock producers and processors of meat and meat products, as well as injury to consumers. The unwholesome, adulterated, mislabeled, or deceptively packaged articles can be sold at lower prices and compete unfairly with the wholesome, unadulterated, and properly labeled and packaged articles, to the detriment of consumers and the public generally. It is hereby found that regulation by the department of agriculture and cooperation by this State with the United States department of agriculture as contemplated by this Hawaii Meat Inspection Act is appropriate to protect the health and welfare of consumers and otherwise to effectuate the purposes of this Act.

Congress enacted the Meat Inspection Act in 1907 (Public Law 59-242), as amended by the Wholesome Meat Act in 1967 (Public Law 90-201) which is now redesignated as the Federal Meat Inspection Act. The Federal Meat Inspection Act is intended to protect the consuming public from adulterated or

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misbranded meat and meat products and to assist the states in their efforts to accomplish this objective. The Federal Meat Inspection Act authorizes the secretary of agriculture to furnish financial and related assistance to states for the administration of meat inspection programs which conform to established Federal standards up to 50 per cent of the estimated total cost of the cooperative program. Presently, the meat processing industry in this State is not subject to any meat inspection law or rules and regulations that meet the minimum Federal requirement in this area. This State, in order to qualify for the cooperative program, must demonstrate 'progressive action' by November 15, 1969; and, further, all physical facilities must be upgraded in accordance with the established Federal standards by November 15, 1970. Failure to comply with the Federal standards prescribed by the Federal Meat Inspection Act will result in Federal control of the meat and meat processing industries of the State. Accordingly, the State deems it to be in the best interest of the public health and welfare to take those steps as are necessary to qualify for Federal financial and related assistance for the administration of a meat inspection program which conforms to Federal standards prescribed in the Federal Meat Inspection Act.

**Section -3. Definitions.** As used in this chapter unless the context otherwise requires:

(a) 'Act' means the 'Hawaii Meat Inspection Act.'

(b) 'Adulterated' shall apply to any carcass, part thereof, meat or meat products under one or more of the following circumstances:

(1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, the meat and meat products shall not be considered adulterated under this paragraph if the quantity of the substance in or on the meat and meat products does not ordinarily render it injurious to health.

(2) (A) If it bears or contains (by reason of administration of any substance to the live animal or otherwise) any added poisonous or added deleterious substance, (other than one which is (i) a pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive) which may, in the judgment of the board, make the meat and meat products unfit for human consumption.

(B) If it is, in whole or in part, a raw agricultural commodity and the commodity bears or contains a pesticide chemical which is unsafe within the meaning of the Hawaii Food, Drug, and Cosmetic Act or section 408 of the Federal Food, Drug, and Cosmetic Act.

(C) If it bears or contains any food additive which is unsafe within the meaning of the Hawaii Food, Drug and Cosmetic Act or section 409 of the Federal Food, Drug, and Cosmetic Act.

(D) If it bears or contains any color additive which is unsafe within the meaning of the Hawaii Food, Drug, and Cosmetic Act or section 706 of the Federal Food, Drug, and Cosmetic Act, provided that meat and meat products which are unadulterated under subparagraphs (B), (C), or (D) shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive in or on the meat and meat products is prohibited by regulations

of the board in establishments at which inspection is maintained under part IV of this chapter.

(3) If it consists in whole or in part any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthful, unwholesome, or otherwise unfit for human food.

(4) If it has been prepared, packed, or held under unsanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(5) If it is, in whole or in part, the product of an animal which had died otherwise than by slaughter.

(6) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(7) If it has been intentionally or unintentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to the Hawaii Food, Drug, and Cosmetic Act or section 409 of the Federal Food, Drug, and Cosmetic Act.

(8) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or if any substance has been substituted, wholly or in part therefor; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

(9) If it is margarine containing animal fat and any of the raw material used therein consisted in whole or in part of any filthy, putrid, or decomposed substance.

(c) 'Animal food manufacturer' means any person engaged in the business of manufacturing or processing animal food derived wholly or in part from carcasses, or parts or products of the carcasses of cattle, sheep, swine, goats, horses, mules, or other equines.

(d) 'Board' means the board of agriculture of the State.

(e) 'Capable of use as human food' shall apply to any carcass, or part or product of a carcass, of any animal, unless it is denatured or otherwise identified as required by regulations prescribed by the board to deter its use as human food, or it is naturally inedible by humans.

(f) 'Department' means the department of agriculture of the State.

(g) 'Federal Food, Drug, and Cosmetic Act' means the Act so entitled, approved June 25, 1938 (52 Stat. 1040), including any amendments thereto.

(h) 'Meat Inspection Act' means the Act so entitled, approved March 4, 1907 (34 Stat. 1260), as amended by the Wholesome Meat Act of 1967 (81 Stat. 584), including any amendments thereto.

(i) 'Inspector' means any meat inspector of the State.

(j) 'Intrastate commerce' means commerce within the State.

(k) 'Label' means a display of written, printed, or graphic matter upon the immediate container (not including package liners) of any meat or meat products, or other products.

(l) 'Labeling' means all labels and other written, printed, or graphic matter upon any meat and meat products or any of its containers or wrappers, or

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accompanying the meat and meat products.

(m) 'Licensee' means a person issued a license under part III of this chapter.

(n) 'Meat or meat products' means any product capable of use as human food which is made wholly or in part from any meat or other portions of the carcass of any cattle, sheep, swine, or goats, excepting products which contain meat or other portions of the carcasses only in a relatively small proportion or historically have not been considered by consumers as products of the meat food industry, and which are exempted from the definition as meat products by the board under the conditions as it may prescribe to assure that the meat or other portions of the carcasses contained in the products are not adulterated and that the products are not represented as meat products. This term as applied to food products of equines shall have a meaning comparable to that provided in this subsection with respect to cattle, sheep, swine, and goats.

(o) 'Meat broker' means any person, who sells or offers to sell, or buys or offers to buy carcasses, parts of carcasses, meat or meat products of cattle, sheep, swine, goats, horses, mules, or other equines on commission or who otherwise negotiates the purchase or sale or exchange of the meat or meat products other than for his own account or as an employee of another person.

(p) 'Misbranded' shall apply to any carcass, part thereof, meat or meat products under one or more of the following circumstances:

(1) If its labeling is false or misleading in any particular.

(2) If it is offered for sale under the name of another food.

(3) If it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word 'imitation' and immediately thereafter, the name of the food imitated.

(4) If its container is made, formed, or filled as to be misleading.

(5) If in a package or other container unless it bears a label showing:

(A) The name and place of business of the manufacturer, packer, or distributor.

(B) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count; provided that under subparagraph (B) of this paragraph, reasonable variations may be permitted and exemptions as to small packages may be prescribed by the board.

(6) If any word, statement, or other information required by or under authority of this chapter to appear on the label or other labeling is not prominently placed thereon with the conspicuity as compared with other words, statements, designs, or devices, in the labeling and in the terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(7) If it purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by the board under this chapter unless:

(A) It conforms to the definition and standard.

(B) Its label bears the name of the food specified in the definition and standard and, insofar as may be required by the regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) pres-

ent in the food.

(8) If it purports to be or is represented as a food for which a standard of fill or container has been prescribed by the board under this chapter, and it falls below the standard of fill of container applicable thereto, unless its label bears, in the manner and form as the board prescribes, a statement that it falls below the standard.

(9) If it is not subject to paragraph (7), unless its label bears:

(A) The common or usual name of the food, if any there be.

(B) In case it is fabricated from two or more ingredients, the common or usual name of each ingredient; except that spices, flavorings, and colorings may with the approval of the board be designated as spices, flavorings, and colorings without naming each; provided that, to the extent that compliance with the requirements of subparagraph (B) of this paragraph (9) is impracticable, or results in deception or unfair competition, exemptions shall be established by the board.

(10) If it purports to be or is represented for special dietary uses, unless its label bears the information concerning its vitamin, mineral, and other dietary properties as the board, after consultation with the secretary of agriculture and concurrence by the department of health, determines to be and prescribes as necessary in order fully to inform purchasers as to its value for the uses.

(11) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact; provided that, to the extent that compliance with this paragraph (11) is impracticable, exemptions shall be established by the board.

(12) If it fails to bear, directly thereon or on its container, as the board may prescribe, the inspection legend and, unrestricted by any of the foregoing, other information as the board may require to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the meat and meat products in a wholesome condition.

(q) 'Official certificate' means any certificate prescribed by the board for issuance by veterinarians, inspectors or other persons performing official functions under this chapter.

(r) 'Official device' means any device described or authorized by the board for use in applying any official mark.

(s) 'Official inspection legend' means any symbol prescribed by the board showing that meat and meat products were inspected and passed in accordance with this chapter.

(t) 'Official mark' means the official inspection legend or any other symbol prescribed by the board to identify the status of any meat and meat products or animal under this chapter.

(u) 'Pesticide chemical', 'food additive', 'color additive' and 'raw agricultural commodity' shall have the same meanings for purposes of this chapter as under the Federal Food, Drug, and Cosmetic Act.

(v) 'Prepared' or 'processed' means slaughtered, canned, salted, rendered, boned, cut up, or otherwise manufactured or processed.

(w) 'Renderer' means any person engaged in the business of rendering

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carcasses, or parts or products of the carcasses, of cattle, sheep, swine, goats, horses, mules, or other equines, except rendering conducted under inspection under part IV of this chapter.

(x) 'Secretary of agriculture' means the secretary of agriculture of the United States.

(y) 'State' means the State of Hawaii.

(z) 'Veterinarian' means the State veterinarian or any of his duly authorized representatives.

(aa) 'Wholesaler' means any person, who buys or sells carcasses, parts of carcasses, meat or meat products of cattle, sheep, swine, goats, horses, mules, or other equines in trade channels other than retail. For the purpose of this chapter, a wholesaler who also has retail operations will be deemed to be a wholesaler.

### **PART II. ADMINISTRATION, POWERS AND DUTIES**

**Section -4. Administration.** The department shall administer this chapter subject to the supervision of the board. The board may delegate any of its powers except the power to make rules and regulations or may direct any of its duties to be performed by any appropriate agents, officers, or employees of the board.

The board may employ on a full or part-time basis veterinarians and inspectors, subject to chapter 76, as are necessary to carry out a uniform inspection system of meat or meat products in the State. All inspectors shall be under the supervision and control of a veterinarian employed by the board.

**Section -5. General Powers.** The department through its board is hereby vested with the following powers:

(a) Regulate, supervise, inspect and control the manufacture, processing, slaughtering, transportation, packaging, labeling and disposal of meat or meat products involved in intrastate commerce.

(b) Adopt, amend and repeal rules and regulations as are necessary to implement this chapter, subject to chapter 91, on the following matters:

(1) The issuance of licenses, including the class of licenses to be issued.

(2) The type of equipment or facilities which may be used in slaughtering and meat processing operations.

(3) The internal operations of a slaughterhouse and of meat processing establishments.

(4) Inspection procedures for ante-mortem and post-mortem inspections and the reinspection of meat or meat products used in processing and the disposal of diseased carcasses and parts of carcasses and meat or meat products found unwholesome or otherwise unfit for human consumption.

(5) The hours of slaughtering, processing, and conditions under which slaughtering and processing may be conducted at other than scheduled times.

(6) The labeling and packaging of meat or meat products.

(7) Storing, handling, and transportation of meat or meat products.

(8) Sanitary conditions of all establishments where meat or meat products are slaughtered, processed, or prepared.

(9) Any other matter as may be necessary or desirable to effectuate the purpose of this chapter.

**Section -6. Information, Investigation, Hearings.** For the purpose of enforcing this chapter, the board may:

(a) Gather and compile information which relates to the business operations of persons being regulated under this chapter and such other information necessary to effectuate the purposes of this chapter. Confidential information shall not be disclosed by the board except under order of court.

(b) Hold hearings, take testimony, administer oaths, subpoena witnesses and issue subpoenas for the production of records, or documents of any kind. Upon failure or refusal of any witness to obey any subpoena, the board may petition the circuit court, and upon proper showing, the court may enter an order compelling the witness to appear and testify or produce documentary evidence. Failure to obey the order of court shall be punishable as a contempt of court.

No person shall be excused from attending and testifying or from producing documentary evidence before the board in obedience to a subpoena of the board on the ground or for the reason that the testimony or evidence, documentary, or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege of self-incrimination, to testify, or produce evidence, documentary or otherwise, before the board in obedience to a subpoena issued by the board; provided that, no person so testifying shall be exempt from prosecution for perjury committed in so testifying.

(c) Request the attorney general to seek relief from the appropriate circuit courts for writs of mandamus commanding any person to comply with this chapter or any order of the board made in pursuance thereof or to enjoin any violation of this chapter or any order of the board.

Witnesses summoned before the board shall be paid the same fees and mileage that are paid witnesses in the circuit courts of the State, and witnesses whose depositions are taken and the persons taking them shall severally be entitled to the same fees as are paid for like services in said courts.

### PART III. LICENSING

**Section -7. Certificate of Sanitation.** The board may issue certificates of sanitation to slaughterhouses, meat processors and animal food manufacturers which are subject to this chapter and which meet minimum sanitary specifications required for:

(a) The slaughtering of animals for use of the meat or meat products in intrastate commerce.

(b) For the processing, rendering, transporting, storing and handling of the meat or meat products in intrastate commerce. The board may promulgate and adopt rules and regulations subject to chapter 91, governing the minimum sanitary specifications and prescribing forms, requiring reports and providing

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for periodic renewals of such certificates.

Notwithstanding any requirement under this Act or the rules and regulations promulgated hereunder which require the renovation or upgrading of the physical facilities of slaughterhouses, meat processors or animal food manufacturers in order to obtain a certificate of sanitation, the board shall, as of the effective date of this Act, continue to issue certificates of sanitation to slaughterhouses now licensed by the State, and to meat processors and animal food manufacturers who are in business, to continue their operations; provided, however, that the facilities of said slaughterhouses, meat processors and animal food manufacturers shall be sanitary and that the products which emerge from their respective operations are wholesome, not adulterated and fit for human and other consumption; and provided further, that upon the sale or transfer of any of the foregoing businesses, the purchasers shall be required to meet all of the requirements provided herein and the rules and regulations promulgated hereunder.

**Section -8. License required.** It shall be unlawful for any person to engage in the business of slaughtering cattle, sheep, swine, goats, horses, mules and other equines or manufacturing or processing of meat or meat products without a license as required by this part.

**Section -9. Application for a license.** The board may issue licenses to slaughterhouses, meat processing establishments and animal food manufacturers having certificates of sanitation issued under section -7. An applicant for an original or renewal license to operate as a slaughterhouse operator, meat processor or animal food manufacturer shall file an application upon a form prepared by the board, containing the information which the board deems necessary for the administration of this chapter.

The license year shall be from July 1 to June 30. All applications for renewal of licenses shall be made at least 30 days prior to the commencement of the license year.

**Section -10. License fees.** An annual fee of \$25 shall be assessed. The license fees collected shall be deposited in the State general fund.

**Section -11. Bonding.** Upon a person being granted a license to slaughter animals for the purpose of using the meat or meat products thereof in intrastate commerce the board shall exact from the licensee a bond in the penal sum of \$5,000, said bond to be obtained from a surety company authorized to do business in the State and be so conditioned that the licensee shall be required to keep a full and accurate record concerning every animal which he may purchase, kill or sell; and that he will at all times during regular business hours keep the record open for the inspection by representatives of the board who may desire to examine the same. The record shall contain:

- (a) The sex of the animal.
- (b) The brand on the animal, stating the position on the animal of the brand.
- (c) Ear tag number or other mark of identification.
- (d) The principal color of the animal.

- (e) The name of the person who sold the animal to him.
- (f) The date when the animal was sold to him.
- (g) The date when the animal was delivered to him.
- (h) The date when the animal was killed.

**Section -12. Granting, suspending and revoking licenses.** The action of the board in refusing to grant or renew a license, or in revoking or suspending a license, may be judicially reviewed in the manner provided by chapter 91.

(a) No license shall be denied unless the board finds after due notice and an opportunity of hearing in accordance with chapter 91, to the applicant any of the following:

(1) That the applicant does not qualify or possess the facilities to conduct a business properly.

(2) That the applicant does not have the financial responsibility to conduct a business properly.

(3) That the issuance of a license is otherwise not in the public interest.

(b) The board may refuse to renew a license or may suspend or revoke a license upon due notice and opportunity of hearing in accordance with chapter 91, to the licensee when it finds any of the following:

(1) The licensee has been adjudged a bankrupt.

(2) The licensee has violated chapter 480 and said violation is directly or indirectly involved with the State meat industry.

(3) The licensee has failed to keep records or to furnish the statements or information required by the board.

(4) The licensee has intentionally made a false or misleading statement upon which the license was issued.

(5) The licensee has violated or failed to comply with this chapter.

(6) The licensee has ceased to operate the business for which the license was issued.

(c) The board may conditionally renew a license or may conditionally decline to suspend or revoke a license, but the condition shall have appropriate relation to the administration of this chapter.

**Section -13. Records of licensees.** The board may require licensees to keep the records and information as it deems necessary for the proper enforcement of this chapter.

#### PART IV. INSPECTION REQUIREMENTS

**Section -14. Ante-mortem inspection.** For the purpose of preventing the use in intrastate commerce of meat or meat products which are adulterated, the board shall cause to be made, by a veterinarian or inspector appointed for that purpose, an examination and inspection of all cattle, sheep, swine, goats, horses, mules, and other equines before they shall be allowed to enter into any slaughtering, packing, meat-canning, rendering, or similar establishment in the State in which slaughtering and preparation of meat or meat products of the animals are conducted solely for intrastate commerce; and all cattle, sheep, swine, goats, horses, mules, and other equines found on the inspection to

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show symptoms of disease shall be set apart from all other cattle, sheep, swine, goats, horses, mules, or other equines and slaughtered or otherwise disposed of as provided in the rules and regulations, and when slaughtered, the carcasses of the cattle, sheep, swine, goats, horses, mules, or other equines shall be subject to a careful examination and inspection, all as prescribed by the board.

**Section -15. Post-mortem inspection; reinspection.** The board shall cause to be made post-mortem examination and inspection of the carcasses and parts thereof of all cattle, sheep, swine, goats, horses, mules, and other equines, capable of use as human food, to be prepared at any slaughtering, meat-canning, salting, packing, rendering, or similar establishment in this State in which the meat or meat products are prepared solely for intrastate commerce; and the carcasses and parts thereof of all the animals found to be unadulterated shall be marked, stamped, tagged, or labeled, as 'Hawaii Inspected and Passed'; and the inspector shall label, mark, stamp, or tag as 'Hawaii Inspected and Condemned', all carcasses and parts thereof of animals found to be adulterated; and all carcasses and parts thereof thus inspected and condemned shall be destroyed for food purposes by the establishment in the presence of an inspector, and the board may remove the inspector from the establishment which fails to destroy any such condemned carcass or part thereof. The inspector, after any inspection shall, when he deems it necessary, reinspect any carcasses or parts thereof to determine whether since the prior inspection the same shall have become adulterated and if any carcass or any part thereof shall, upon examination and inspection subsequent to the prior examination and inspection, be found to be adulterated, it shall be destroyed for food purposes by the establishment in the presence of an inspector, and the board may withdraw inspection from any establishment which fails to destroy any condemned carcass or part thereof.

The foregoing provisions, including those in section -14 shall apply to all cattle, sheep, swine, goats, horses, mules, and other equines and to all carcasses or parts of carcasses, meat or meat products thereof, capable of use as human food, which may be brought into any slaughtering, meat-canning, salting, packing, rendering, or similar establishment, where inspection under this part is maintained, and the examination and inspection shall be had before the carcasses or parts thereof shall be allowed to enter into any establishment wherein the same are to be treated and prepared for meat products; and the foregoing provisions shall also apply to all products which, after having been issued from any such slaughtering, meat-canning, salting, packing, rendering, or similar establishment, shall be returned to the same or to any similar establishment where the inspection is maintained. The board may limit the entry of carcasses, part of carcasses, meat or meat products, and other materials into any establishment at which inspection under this part is maintained, under conditions as it may prescribe to assure that allowing the entry of meat or meat products into the inspected establishment will be consistent with the purpose of this chapter.

The board shall cause to be made by veterinarian and inspector appointed for that purpose an examination and inspection of all meat or meat

products prepared in any slaughtering, meat-canning, salting, packing, rendering, or similar establishment, where the meat or meat products are prepared only for intrastate commerce and for the purpose of any examination and inspection, the inspector shall have access at all times, by day or night, whether the establishment be operated or not, to every part of the establishment; and the inspector shall mark, stamp, tag, or label as 'Hawaii inspected and passed' all the products found to be unadulterated; and the inspector shall label, mark, stamp, or tag as 'Hawaii inspected and condemned' all the products found adulterated, and all condemned meat or meat products shall be destroyed for food purposes, as hereinbefore provided, and the board may withdraw inspection from any establishment which fails to destroy the condemned meat or meat products.

**Section -16. Labeling, marking, and branding.** (a) When any meat or meat products prepared for intrastate commerce which has been inspected and marked 'Hawaii inspected and passed' shall be placed or packed in any can, pot, tin, canvas, or other receptacle or covering in any establishment where inspection under this chapter is maintained, the person preparing the product shall cause a label to be attached to the can, pot, tin, canvas, or other receptacle or covering, under supervision of an inspector, which label shall state that the contents thereof have been 'Hawaii inspected and passed' under this chapter, and no inspection and examination of meat or meat products deposited or inclosed in cans, tins, pots, canvas, or other receptacle or covering in any establishment where inspection under this chapter is maintained shall be deemed to be complete until the meat or meat products have been sealed or inclosed in the can, tin, pot, canvas, or other receptacle or covering under the supervision of an inspector.

(b) All carcasses, parts of carcasses, meat or meat products inspected at any establishment under the authority of this chapter and found to be unadulterated, shall at the time they leave the establishment bear, in distinctly legible form directly thereon or on their containers, as the board may require, the information required under the definition of the word 'misbranded' in section -3.

(c) The board, whenever it determines that action is necessary for the protection of the public, may prescribe:

(1) The styles and sizes of type to be used with respect to material required to be incorporated in labeling to avoid false or misleading labeling of any meat or meat products or animals subject to this chapter.

(2) Definitions and standards of identity or composition for meat or meat products subject to this chapter and standards of fill of container for such meat or meat products not inconsistent with any such standards established under the Hawaii or Federal Food, Drug, and Cosmetic Act, or under the Federal Meat Inspection Act, and there shall be consultation between the board and the secretary of agriculture prior to the issuance of the standards to avoid inconsistency between the State standards and the Federal standards.

(d) No meat or meat products subject to this chapter shall be sold or offered for sale by any person in intrastate commerce, under any name or other

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marking or labeling which is false or misleading, or in any container of a misleading form or size, but established trade names and other marking and labeling and containers which are not false or misleading and which are approved by the board are permitted.

(e) If the board has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any meat or meat products or other products subject to this chapter is false or misleading in any particular, it may direct that the use be withheld unless the marking, labeling, or container is modified in the manner as it may prescribe so that it will not be false or misleading. If the person using or proposing to use the marking, labeling or container does not accept the determination of the board, the person may request a hearing before the board but the use of the marking, labeling, or container shall, if the board directs, be withheld pending hearing and final determination by the board. Any determination by the board shall be conclusive unless, within thirty days after receipt of notice of final determination, the person adversely affected thereby appeals to the circuit court. The appeal shall be based on the record upon which the determination was based.

**Section -17. Sanitation.** The board shall cause to be made by veterinarian or meat inspector, the inspection of all slaughtering, meat-canning, salting, packing, rendering, or similar establishments in which cattle, sheep, swine, goats, horses, mules, and other equines are slaughtered and the meat or meat products thereof are prepared solely for intrastate commerce as may be necessary to inform itself concerning the sanitary conditions of the same, and to prescribe the sanitation under which the establishments shall be maintained; and where the sanitary conditions of any establishments are such that the meat or meat products are rendered adulterated, it shall refuse to allow said meat or meat products to be labeled, marked, stamped, or tagged as 'Hawaii inspected and passed'.

**Section -18. Slaughter, transportation, and selling.** No person shall, with respect to any cattle, sheep, swine, goats, horses, mules, or other equines, or any carcasses, parts of carcasses, meat or meat products of any animals:

(a) Slaughter any animals or prepare any meat or meat products which are capable of use as human food, at any establishment preparing such meat or meat products solely for intrastate commerce, except in compliance with the requirements of this chapter.

(b) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce:

(1) Any meat or meat products which

(A) Are capable of use as human food.

(B) Are adulterated or misbranded at the time of the sale, transportation, offer for sale or transportation, or receipt for transportation.

(2) Any meat or meat products required to be inspected under this chapter unless they have been so inspected and passed.

(c) Do, with respect to any such meat or meat products which are capa-

ble of use as human food, any act while they are being transported in intrastate commerce or held for sale after transportation, which is intended to cause or has the effect of causing meat or meat products to be adulterated or misbranded.

**Section -19. Forgery of mark, brand, or label.** (a) No brand manufacturer, printer, or other person shall cast, print, lithograph, or otherwise make any device containing any official mark, any label bearing any such mark, any form of official certificate, or simulation thereof, except as authorized by the board.

(b) No person, firm, or corporation shall:

(1) Forge any official device, mark, or certificate.

(2) Use any official device, mark, or certificate, or simulation thereof, or alter, detach, deface, or destroy any official device, mark, or certificate without authorization from the board.

(3) Fail to use, or to detach, deface, or destroy any official device, mark, or certificate contrary to the regulations prescribed by the board.

(4) Knowingly possess, without promptly notifying the board or its representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label or any carcass of any animal, or part or product thereof, bearing any counterfeit, simulated, forged, or improperly altered official mark.

(5) Knowingly make any false statement in any shipper's certificate or other non-official or official certificate provided for in the regulations prescribed by the board.

(6) Knowingly represent that any meat or meat products have been inspected and passed, or exempted, under this chapter when, in fact, it has, respectively not been so inspected and passed, or exempted.

No person shall sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce, any carcasses of horses, mules, or other equines or parts of such carcasses, or the meat or meat products thereof, unless they are plainly and conspicuously marked or labeled or otherwise identified as prescribed by the board to show the kinds of animals from which they were derived. When required by the board with respect to establishments at which inspection is maintained under this chapter, the animals and their carcasses, parts thereof, meat or meat products shall be prepared in establishments separate from those in which cattle, sheep, swine, or goats are slaughtered or their carcasses, parts thereof, meats or meat products are prepared.

**Section -20. Inspector.** Veterinarian and inspector shall examine and inspect all cattle, sheep, swine, goats, horses, mules, and other equines the inspection of which is hereby provided for, and of all carcasses and parts thereof, and of all meats or meat products thereof, and of the sanitary conditions of all establishments in which the meat or meat products are prepared; and the veterinarian and inspector shall refuse to stamp, mark, tag or label any carcass or any part thereof, or meat products therefrom, prepared in any establishment until the same shall have actually been inspected and found to be unadulterated; and shall perform other duties as are provided by this chapter and

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by the rules and regulations to be prescribed by the board and the board shall, from time to time, make such rules and regulations in accordance with chapter 91 which are necessary for the efficient execution of this chapter, and all inspections and examinations made under this chapter shall be and made in a manner as described in the rules and regulations prescribed by the board not inconsistent with this chapter.

**Section -21. Bribery.** Any person or employee of any person, who shall give, pay, or offer, directly or indirectly, to any inspector, or any other officer or employee of the State authorized to perform any of the duties prescribed by this chapter or by the rules and regulations of the board, any money or other thing of value, with intent to influence the inspector, or other officer or employee of this State in the discharge of any duty shall be fined not more than \$5,000 or imprisoned not more than three years, or both; and any inspector, or other officer or employee of this State authorized to perform any of the duties prescribed by this chapter who shall accept any money, gift, or other thing of value from any person, or officers, agents, or employees thereof, given with intent to influence his official action, or who shall receive or accept from any person engaged in intrastate commerce subject to this chapter any gift, money, or other thing of value given with or without intent to influence his official actions, shall be discharged from office and be fined not more than \$5,000 or imprisoned not more than three years, or both.

**Section -22. Exemptions.** (a) This chapter requiring inspection of the slaughtering of animals and the preparation of the carcasses, parts thereof, meat or meat products at establishments conducting such operations shall not apply:

(1) To the slaughtering by any person of animals of his own raising, and the preparation by him of the carcasses, parts thereof, meat or meat products of the animals exclusively for use by him and members of his household and his nonpaying guests and employees; provided that the slaughter of the animals is performed in compliance with part II, chapter 146.

(2) To the custom slaughter by any person of cattle, sheep, swine or goats delivered by the owner thereof or his agent for slaughter, and the preparation by slaughter of the carcasses, parts thereof, meat or meat products of the animals, exclusively for use, in the household of the owner, by him, and members of his household and his nonpaying guests and employees; provided, that the custom slaughterer does not engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat products of any cattle, sheep, swine, goats or equines, capable of use as human food; and provided further that the slaughter of animals and preparation of meat or meat products shall be conducted in accordance with sanitary conditions, recordkeeping, registration and disease control provisions as the board may prescribe.

(b) The transportation of carcasses, parts thereof, meat or meat products produced without inspection under subsection (a) of this section is prohibited, except under permit issued by the board.

(c) This chapter requiring inspection of meat or meat products shall not apply to operations of types traditionally and usually conducted at retail stores

and restaurants, when conducted at any retail store or restaurant or similar retail-type establishment for sale at the establishments in normal retail quantities or service of meat or meat products to consumers, provided that the preparation, handling, and storage of meat or meat products is conducted in accordance with the sanitary conditions as the board may prescribe.

(d) In order to accomplish the objectives of this chapter, the board may by regulation exempt operations which the board determines would best be exempted to further the purposes of this chapter, to the extent that the exemptions conform to the Federal Inspection Act and the regulations thereunder.

(e) The adulteration and misbranding provisions of this chapter, other than the requirement of the official inspection legend, shall apply to meat or meat products which are not required to be inspected under this section.

**Section -23. Storing, handling and transporting.** The board may prescribe conditions under which carcasses, parts of carcasses, meat or meat products of cattle, sheep, swine, goats, horses, mules, or other equines, capable of use as human food, shall be stored or otherwise handled by any person engaged in the business of buying, selling, freezing, storing or transporting, in or for intrastate commerce, such meat or meat products, whenever the board deems action necessary to assure that such meat or meat products will not be adulterated or misbranded when delivered to the consumer. The violation of any regulation is prohibited.

#### PART V. MEAT PROCESSORS AND RELATED INDUSTRIES

**Section -24. Inspection and sanitary requirements; sale; transportation.** The board may provide for inspection and sanitary requirements under part IV of this chapter at any establishment for the slaughter of cattle, sheep, swine, goats, horses, mules, or other equines, or the preparation of any carcasses or parts or products of animals, which are not intended for use as human food, but the meat or meat products shall, prior to their offer for sale or transportation in intrastate commerce, unless naturally inedible by humans, be denatured or otherwise identified as prescribed by the board to deter their use for human food. No person shall buy, sell, transport, or offer for sale or transportation, or receive for transportation, in intrastate commerce, any carcasses, parts thereof, meat or meat products of any animals, which are not intended for use as human food unless they are denatured or otherwise identified as required by the regulations of the board or are naturally inedible by humans.

**Section -25. Records; subject to examination.** (a) For the enforcement of this chapter, the following classes of persons shall keep records as the board may prescribe and all persons subject to the requirements shall, at all reasonable times, upon notice by a duly authorized representative of the board afford the representative and any duly authorized representative of the secretary of agriculture accompanied by the representative of the board access to their places of business and opportunity to examine the facilities, inventory, and records thereof, to copy all such records, and to take reasonable samples of their inventory upon payment of the fair market value therefor:

(1) Any person who engages, for intrastate commerce, in the business of

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slaughtering any cattle, sheep, swine, goats, horses, mules, or other equines, or preparing, freezing, packaging, or labeling any carcasses, or parts or products of carcasses, of any animals, for use as human food or animal food.

(2) Any person who engages in the business of buying or selling as meat broker, wholesaler or otherwise, or transporting; in intrastate commerce, or storing in or for commerce, any carcasses, or parts or products of carcasses, of any animals.

(3) Any person who engages in business, in or for intrastate commerce, as renderer, or engage in the business of buying, selling, or transporting, in commerce, any dead, dying, disabled, or diseased cattle, sheep, swine, goats, horses, mules, or other equines, or parts of the carcasses of such animals that died otherwise than by slaughter.

(4) Any person who engages in the business of custom slaughtering any cattle, sheep, swine, goats, horses or other equines for use as human food or animal food.

(b) Any record required to be maintained by this section shall be maintained for the period of time as the board may prescribe.

**Section -26. Registration.** No person shall engage in business, in or for intrastate commerce, (a) as a meat broker, renderer, or animal food manufacturer, or (b) as a wholesaler of any carcasses, or parts or products of the carcasses, of any cattle, sheep, swine, goats, horses, mules, or other equines, whether intended for human food or other purposes, or (c) as a public warehouseman storing any meat or meat products in or for commerce, or (d) in buying, selling, or transporting any dead, dying, disabled, or diseased animals of the specified kinds, or parts of the carcasses of any animal that died otherwise than by slaughter, unless he has registered with the board his name, and the address of each place of business at which, and all trade names under which, he conducts such business.

**Section -27. Dead, dying, disabled, or diseased animals.** No person engaged in the business of buying, selling, or transporting in intrastate commerce, dead, dying, disabled, or diseased animals, or any parts of the carcasses of any animals that died otherwise than by slaughter, shall buy, sell, transport, offer for sale for transportation, or receive for transportation, in commerce, any dead, dying, disabled, or diseased cattle, sheep, swine, goats, horses, mules or other equines, or parts of the carcasses of any such animals that died otherwise than by slaughter, unless the transaction or transportation is made in accordance with the regulations as the board may prescribe to assure that the animals, or the unwholesome parts or products thereof, will be prevented from being used for human food purposes.

## **PART VI. INSPECTION SERVICE, WITHDRAWAL AND COMPENSATION**

**Section -28. Inspection; overtime compensation.** All animals slaughtered by any slaughterhouse duly licensed under this part shall be inspected by an inspector duly authorized by the department, both before and after slaughtering, and no animal shall be slaughtered, or after slaughter be sold, transported, offered for sale or transportation, or received for transporta-

tion in intrastate commerce unless the slaughtering thereof or the use thereof in intrastate commerce, after slaughtering, is approved by an inspector.

The management of any processing establishment, slaughterhouse, or the owner of any animal to be slaughtered requiring the services of an inspector in any work day, or on Sundays, or other legal holidays, shall pay to the department for overtime inspection services, the current State overtime rate for each man-hour of work performed by the inspector.

The department shall pay the inspector for all overtime inspection services performed; provided that the party requesting or requiring the overtime inspection services shall sufficiently in advance of the overtime period arrange with the department for the services.

**Section -29. Brand record to be certified.** Whenever, pursuant to law, a veterinarian or inspector required to inspect animals when slaughtered inspects any slaughtered animal, the veterinarian or inspector shall certify to the correctness of the brand record kept by any licensee hereunder.

**Section -30. Refusal and withdrawal of inspection.** The board may for the period, or indefinitely, as it deems necessary to effectuate the purposes of this chapter, refuse to provide, or withdraw, inspection service under this chapter with respect to any establishment if it determines, after opportunity for a hearing is accorded to the applicant for, or a recipient of the service, that the applicant or recipient is unfit to engage in any business requiring inspection under this chapter because the applicant or recipient, or anyone responsibly connected with the applicant or recipient, has been convicted, in any Federal or State court, of (1) any felony, or (2) more than one violation of any law, based upon the acquiring, handling, or distributing of unwholesome, mislabeled, or deceptively packaged food or upon fraud in connection with transactions in food. This section shall not affect in any way this chapter for withdrawal of inspection services from establishments failing to maintain sanitary conditions or to destroy condemned carcasses, parts thereof, or meat or meat products.

For the purpose of this section a person shall be deemed to be responsibly connected with the business if he was a partner, officer, director, holder, or owner of 10 per cent or more of its voting stock or employee in a managerial or executive capacity. The determination and order of the board with respect thereto under this section shall be final and conclusive unless the affected applicant for, or recipient of, inspection service files application for judicial review within thirty days after the effective date of such order in the appropriate court as provided in part VII. Judicial review of any such order shall be upon the record upon which the determination and order are based.

## PART VII. VIOLATIONS, PENALTIES, PROSECUTION COMPACTS, CONSTRUCTION

**Section -31. Interstate and Federal compacts.** (a) The board is hereby designated as the State agency which shall be responsible for cooperating with the secretary of agriculture under section 301 of the Federal Meat Inspection Act and the board is directed to cooperate with the secretary of agri-

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culture in developing and administering the meat inspection program of this State under this chapter to assure that not later than November 15, 1969, its requirements will be at least equal to those imposed under titles I and IV of the Federal Meat Inspection Act and in developing and administering the program of this State under this chapter in a manner as will effectuate the purposes of this chapter and the Federal Meat Inspection Act.

(b) In cooperative efforts, the board may accept from the secretary of agriculture advisory assistance in planning and otherwise developing the State program, technical and laboratory assistance and training, including necessary curricular and instructional materials and equipment, and financial and other aid for administration of the program.

(c) The board may recommend to the secretary of agriculture the officials or employees of this State as the board shall designate, for appointment to the advisory committees provided for in section 301 of the Federal Meat Inspection Act; and the board shall serve as the representative of the governor for consultation with the secretary of agriculture of the United States under paragraph (c) of section 301 of the Federal Meat Inspection Act unless the governor shall select another representative.

**Section -32. Penalties; prosecution.** Whenever any carcass, part of a carcass, meat or meat products of cattle, sheep, swine, goats, horses, mules or other equines or any product exempted from the definition of a meat or meat products, or any dead, dying, disabled, or diseased cattle, sheep, swine, goat, or equine is found by any authorized representative of the board upon any premises where it is held for purposes of, or during or after distribution in intrastate commerce, and there is reason to believe that any meat or meat products are adulterated or misbranded and are capable of use as human food, or that it has not been inspected, in violation of this chapter or of the Federal Meat Inspection Act or the Hawaii or Federal Food, Drug, and Cosmetic Act, or that the meat or meat products or animal have been or are intended to be, distributed in violation of any provisions, it may be detained by the representative for a period not to exceed twenty days, pending action or notification of any Federal authorities having jurisdiction over the meat or meat products or animal, and shall not be moved by any person from the place at which it is located when detained, until released by the representative. All official marks may be required by the representative to be removed from the meat and meat products or animal before it is released unless it appears to the satisfaction of the board that the meat or meat products or animal are eligible to retain the marks.

Any carcass, part of a carcass, meat or meat products of cattle, sheep, swine, goats, horses, mules, or other equines, or any dead, dying, disabled, or diseased cattle, sheep, swine, goat, or equine, that is being transported in intrastate commerce, or is held for sale in this State after the transportation, and that (1) is or has been prepared, sold, transported, or otherwise distributed or offered or received for distribution in violation of this chapter, or (2) is capable of use as human food and is adulterated or misbranded, or (3) in any other way is in violation of this chapter, shall be liable to be proceeded against and seized and condemned, at any time, in any circuit court within the jurisdiction of

which the meat or meat products or animal are found. If the meat or meat products or animal are condemned they shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs and fees, and storage and other proper expenses, shall be paid into the general fund of this State, but the meat or meat products or animals shall not be sold contrary to this chapter, or the Federal Meat Inspection Act or the Hawaii or Federal Food, Drug, and Cosmetic Act; provided that upon the execution and delivery of a good and sufficient bond issued on the condition that the meat or meat products or animal shall not be sold or otherwise disposed of contrary to this chapter, or the laws of the United States, the court may direct that the meat or meat products or animal be delivered to the owner thereof subject to the supervision by authorized representatives of the board as is necessary to insure compliance with the applicable laws. When a decree of condemnation is entered against the meat or meat products or animal and it is released under bond, or destroyed, court costs and fees, and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the meat or meat products or animal.

The circuit courts of the State are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of this chapter, and shall have jurisdiction in all other kinds of cases arising under this chapter, provided however, the district courts of the State shall have jurisdiction over misdemeanors committed under this chapter.

Any person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person while engaged in or on account of the performance of his official duties under this chapter shall be fined not more than \$1,000 or imprisoned not more than three months, or both.

Any person who violates this chapter for which no other criminal penalty is provided by this chapter shall be fined not more than \$1,000 or imprisoned not more than one year, or both, but if the violation involves intent to defraud, or any distribution or attempted distribution of meat or meat products that are adulterated the person shall be fined not more than \$10,000 or imprisoned for not more than three years, or both; provided that no person shall be subject to penalties under this section for receiving for transportation any meat or meat products or animal in violation of this chapter if the receipt was made in good faith, unless the person refuses to furnish on request of a representative of the board the name and address of the person from whom he received the meat or meat products or animal, and copies of all documents, if any there be, pertaining to the delivery of the meat or meat products or animal to him.

Nothing in this chapter shall be construed as requiring the board to report for prosecution or injunction proceedings, or minor violations of this chapter whenever it believes that the public interest will be adequately served by a suitable written notice of warning.

Any person that shall neglect or refuse to attend and testify or to answer any lawful inquiry, or to produce documentary evidence, if in his or its power to do so, in obedience to the subpoena or lawful requirement of the board shall be guilty of an offense and upon conviction thereof by a court of competent jurisdiction shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

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Any person that shall wilfully make, or cause to be made, any false entry or statement of fact in any report required to be made under this chapter, or that shall wilfully make, or cause to be made, any false entry in any account, record, or memorandum kept by any person subject to this chapter or that shall wilfully neglect or fail to make, or to cause to be made, full, true, and correct entries in the accounts, records, or memoranda, of all facts and transactions appertaining to the business of the person, or that shall wilfully remove out of the jurisdiction of the State, or wilfully mutilate, alter, or by any other means falsify any documentary evidence of any person, or that shall wilfully refuse to submit to the board or to any of its authorized agents, for the purpose of inspection and taking copies, any documentary evidence of any person in his possession or within his control, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

If any person required by this chapter to file any annual or special report shall fail to do within the time fixed by the board for filing the same, and the failure shall continue for thirty days after notice of default, the person shall forfeit to this State the sum of \$100 for each and every day of the continuance of the failure, which forfeiture shall be payable into the State general fund, and shall be recoverable in a civil suit in the name of the State brought in the county where the person has his principal office or in any county in which he shall do business. It shall be the duty of the various county attorneys or corporation counsel of the respective counties within the State, upon request of the attorney general, to prosecute for the recovery of the forfeiture.

Any officer or employee of the State who shall make public any confidential information obtained by the board, unless directed by a court, shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

**Section -33. Construction.** The licenses required by this chapter shall be in addition to any other licenses required by law.

The requirements of this chapter shall apply to persons, establishments, animals, and meat or meat products regulated under the Federal Meat Inspection Act only to the extent provided for in section 408 of the Federal Meat Inspection Act.

The operation and effect of this chapter conferring a general power shall not be impaired or qualified by the granting of a specific power or powers. Each provision of this chapter is intended to be construed liberally in light of the declaration set forth in section -2.

If any of the foregoing provisions are in conflict with any existing statute, ordinance or regulation, the provisions of this chapter shall take precedence.

**Section -34. Severability.** If any provision of this Act, or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable."

**SECTION 2.** Upon the effective date of this Act, Part I of Chapter 146,

Hawaii Revised Statutes, is repealed.

SECTION 3. This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

ACT 215

H. B. NO. 130

A Bill for an Act Relating to State Fuel Taxes.

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

SECTION 1. Section 123-3, Revised Laws of Hawaii 1955, is amended in the following respects: (1) by amending subsection (a), item (4) to read as follows:

“(4) For each gallon of liquid fuel other than fuel mentioned in items (1) and (2), sold or used in the county of Hawaii, or in any county for ultimate use in county of Hawaii, 5 cents state tax, and in addition thereto such amount, to be known as the “county of Hawaii fuel tax”, as shall be levied pursuant to section 123-2.1.”

(2) By amending subsection (b), item (2) to read as follows:

“(2) For each gallon of diesel oil so used upon the public highways in the county of Hawaii, 4 cents state tax, and in addition thereto such amount, to be known as the “county of Hawaii fuel tax”, as shall be levied pursuant to section 123-3.1.”

“SECTION 2. This Act shall take effect as soon as sufficient funds have been collected to repay the principal and interest on the general obligation bonds indebtedness incurred under Act 73, Session Laws of Hawaii 1947.”

(Approved July 14, 1969.)

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H. B. NO. 185

A Bill for an Act Relating to the Preservation and Protection of Prehistoric and Historic Sites and Archeological Remains.

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

SECTION 1. Chapter 9 of the Revised Laws of Hawaii 1955 is amended by adding a new section to read as follows:

**“Sec. 9- . Archeological investigation, recording and salvage; appropriations.** Whenever any public construction or improvement of any nature whatsoever is undertaken by any government agency on lands which are controlled or owned by the State or by any county and which are sites of historic or prehistoric interest and value, or locations of prehistoric or historic remains, one per cent of the appropriations for such public construction or improvement, or so much thereof as may be necessary, shall be expended by the department of land and natural resources for the archeological investigation, recording and salvage of such sites or remains when it is deemed necessary by the

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department."

SECTION 2. Section 14-8 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**"Sec. 14-8. Prehistoric and historic sites and remains.** (a) The department of land and natural resources shall locate, identify, and preserve in suitable records information regarding prehistoric and historic sites, locations, and remains. The information shall be submitted to the director of taxation who shall clearly designate on all tax maps of the State, the location of all prehistoric or historic sites, or locations and remains. The department shall cooperate with other state agencies and owners of private prehistoric or historic sites.

(b) Before any public construction or improvement of any nature whatsoever is undertaken by the State, the city and county of Honolulu, or any of the counties, or any governmental agency or officer, the head of such agency or such officer shall first examine the current tax map of the area to be affected by such public construction or improvement to determine whether any heiaus, ancient burial places, or sites, or remains of prehistorical or historical interest are designated on such map. If so designated, the proposed public construction or improvement shall not be commenced, or, in the event it has already begun, continued, until the head of such agency or such other officer shall have advised the department of the proposed public construction or improvement and shall have secured the concurrence of the department or, as hereafter provided, shall have secured the written approval of the governor.

If the concurrence of the department is not obtained after ninety days after the filing of a request therefor with the department by, or after the filing of a notice of objections by the department with, the agency or officer seeking to proceed with any project, such agency or officer may apply to the governor for permission to proceed notwithstanding the nonconcurrence of the department and the governor may take such action as he deems best in overruling or sustaining the department.

(c) Before any construction, alteration, or improvement of any nature whatsoever is undertaken or commenced on a designated private prehistoric or historic site by any person, he shall give to the department three months notice of intention to construct, alter, or improve the site.

After the expiration of the three-month notification period, the department shall either commence condemnation proceedings for the purchase of the site or remains, permit the owner to proceed with his construction, alteration or improvement, or undertake or permit the recording and salvaging of any historical information deemed necessary to preserve Hawaiian history, by any qualified agency for this purpose.

Any person who violates the provisions of the first paragraph of this subsection shall be fined not more than \$1,000 or imprisoned not more than ninety days, or both."

SECTION 3. Chapter 14 of the Revised Laws of Hawaii is amended by adding a new section to read as follows:

**"Sec. 14-8.5. Excavation and removal of prehistoric and historic remains on private lands.** Before any prehistoric or historic remains are excavated or removed from private lands by the department of land and natural resources, the department or its designated investigators shall first secure the written approval of the owner of such lands. Whenever the value of the private prehistoric or historic site is diminished by the excavation or removal of prehistoric or historic remains by the department of land and natural resources, the owner of the site shall be compensated for the loss, at a monetary sum mutually agreed upon by the department and the owner or at a monetary sum set by the court."

SECTION 4. Section 14-10.2 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**"Sec. 14-10.2. Permits to examine ruins, excavate and gather objects on public lands.** Permits for the examination of ruins, excavation of archeological sites, and the gathering of objects of antiquity upon lands owned or controlled by the state or any county, may be granted by the department of land and natural resources to persons or institutions which they deem properly qualified to conduct such examination, excavation, or gathering, subject to such rules and regulations as the department may prescribe; provided, that the examinations, excavations, and gatherings are undertaken for the benefit of public museums, universities, colleges, or other recognized public scientific or educational institutions, with a view to increasing the knowledge of such objects and that the gatherings may be made for permanent preservation in public museums if so deemed by the department."

SECTION 5. Section 14-10.3 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**"Sec. 14-10.3. Penalties.** It shall be unlawful for any person to take, appropriate, excavate, injure or destroy any prehistoric or historic ruin or monument or object of antiquity, situated on lands owned or controlled by the State without the permission of the department of land and natural resources. Any person who violates this section shall be fined not more than \$1,000 or imprisoned not more than ninety days, or both.

Any prehistorical and historical objects and remains which have been taken without a permit shall be seized, deposited and preserved in public museums by the department of land and natural resources."

SECTION 6. Chapter 14 of the Revised Laws of Hawaii 1955 is amended by adding a new section to read as follows:

**"Sec. 14- . Reproduction of prehistorical or historical objects; representation as originals; penalties.** It shall be unlawful to reproduce or forge a prehistorical or historical object with the intent to represent it as an original. Any person who violates this section shall be fined not more than \$1,000 or imprisoned not more than ninety days, or both."

SECTION 7. Chapter 99 of the Revised Laws of Hawaii is amended by adding a new section to read as follows:

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**"Sec. 99- . Reservation of rights to prehistoric and historic remains on leased public lands.** The board of land and natural resources shall, in leases of public lands retain the rights to all prehistoric and historic remains found on such lands."

**SECTION 8.** The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 9.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## ACT 217

H. B. NO. 188

A Bill for an Act Relating to Leases of State Lands.

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

**SECTION 1.** Section 171-36, Hawaii Revised Statutes, is amended by adding thereto a new subparagraph to read as follows:

"(9) No lease of public lands, including submerged lands, nor any extension of any such lease, shall be issued by the State to any person to construct, use or maintain a sunbathing or swimming pier or to use said lands for such purposes, unless such lease, or any extension thereof, contains provisions permitting the general public to use said pier facilities on the public lands and requiring that a sign or signs be placed on said pier, clearly visible to the public, which indicates the public's right to the use of such pier. The board shall, at the earliest practicable date, and where legally possible, cause all existing leases to be amended to conform to the provisions of this subsection. The term "lease", for the purposes of this subsection, shall include month to month rental agreements and similar tenancies."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## ACT 218

H. B. NO. 241

A Bill for an Act Relating to Real Property Tax and Amending Chapters 128 and 129, Revised Laws of Hawaii 1955, as Amended.

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

**SECTION 1.** Subsection 128-9(d) of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"(d)(1) The land in each county shall be classified, upon consideration of its highest and best use, into seven general classes collected in four categories as follows:

"Category I

- (a) improved residential;
- (b) agricultural;
- (c) conservation;

**“Category II**

- (d) unimproved residential;
- (e) hotel and apartment;

**“Category III**

- (f) commercial;

**“Category IV**

- (g) industrial.

“(2) In assigning land to one of the general classes the director of taxation shall give consideration to the districting established by the land use commission pursuant to chapter 98H, the districting established by a county in its general plan and zoning ordinance, use classifications established in the general plan of the State, and such other factors which influence highest and best use; provided that lands, as to which the highest and best use is single-family and two-family residential, shall be classified as ‘improved residential’ as set forth below.

“(3) ‘Improved Residential Property’ shall mean property which is classified as residential by the Department of Taxation upon consideration of its highest and best use, and is property which fulfills the provisions of at least one of the following subparagraphs:

“(A) property which has been subdivided prior to any assessment year as a lot for single or two-family residential use in conformity with the then existing county zoning ordinances, and has been approved for sale or approved as being in conformity with all of the subdivision requirements of the particular county in which it is located, or

“(B) property which is in actual single or two-family residential use at a density of at least a single or a two-family residential building per acre, or

“(C) land which is sufficiently developed with necessary land improvements to support a use density of at least a single or a two-family residential building per acre.

“(4) ‘Unimproved Residential Property’ shall mean all residential class lands not classified as ‘Improved Residential Property’ by the Department of Taxation.”

SECTION 2. Subsection 129-2(b) of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by amending the first sentence thereof to read as follows:

“(b) The board of supervisors or the city council of each county shall determine the tax rates for buildings and for all other real property, exclusive of buildings, for each class of property established in accordance with subsection 128-9(d); provided that the board or council shall determine a single tax rate to be applied to net taxable real property, for each class of property within category I.

SECTION 3. Paragraph (3) of subsection 129-2(c) of the Revised Laws of

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Hawaii 1955, as amended, is hereby further amended to read as follows:

“(3) The net taxable buildings in each class of property within categories II, III and IV shall be multiplied by the applicable building tax factor and the product thereof divided by the modified net taxable value of real property in that class which quotient shall be multiplied by the amount of revenue to be raised from that class in order to determine the amount of revenue to be raised from the tax on net taxable buildings which amount shall be divided by the net taxable value of buildings in that class to determine the tax rate which shall be expressed in terms of tax per \$1,000 of net taxable buildings;”

**SECTION 4.** Paragraph (4) of subsection 129-2(c) of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“(4) The net taxable lands in each class of property within categories II, III and IV shall be divided by the modified net taxable value of real property in that class which quotient shall be multiplied by the amount of revenue to be raised from that class in order to determine the amount of revenue to be raised from the tax on net taxable lands which amount shall be divided by the net taxable value of lands in that class to determine the tax rate which shall be expressed in terms of tax per \$1,000 of net taxable lands;”

**SECTION 5.** Paragraph (5) of subsection 129-2(c) of the Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“(5) The amount of revenue to be raised from net taxable real property in each class of property within category I, shall be divided by the net taxable real property in each of the respective classes to determine the respective tax rates which shall be expressed in terms of tax per \$1,000 of net taxable real property.”

**SECTION 6.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 7.** This Act shall, upon its approval, apply to those taxable years beginning on and after July 1, 1970.

(Approved July 14, 1969.)

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H. B. NO. 281

A Bill for an Act Relating to Wages and Hours and Amending Chapter 94, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 94-2, Revised Laws of Hawaii 1955, as amended, is further amended by deleting from the paragraph which begins with the word "Employee" the figure "550" and substituting the figure "700".

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 220**

H. B. NO. 349

A Bill for an Act Relating to the Hawaii Motor Carrier Act.

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

**SECTION 1.** The first sentence of Section 106C-25(g) of the Revised Laws of Hawaii 1955 is amended to read as follows:

"Any motor carrier or lessor, or any officer, agent, employee, or representative thereof, who shall fail or refuse to comply with any provision of this chapter, or any rule, regulation, requirement or order thereunder, shall pay a penalty to the State in the sum of \$100 for each such offense, and, in the case of a continuing violation, not to exceed \$50 for each additional day during which such failure or refusal shall continue."

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.\*

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 221**

H. B. NO. 459

A Bill for an Act Relating to Support, Maintenance and Education of Children and Amending Hawaii Revised Statutes Section 580-47.

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

**SECTION 1.** The first paragraph of section 580-47 of the Hawaii Revised Statutes is hereby further amended by adding thereto after the second sentence a new sentence to read as follows:

"Provision may be made for the education of an adult or minor child

\* Edited accordingly

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whether or not the application is made before or after the child has attained the age of majority."

**SECTION 2.** The phrase "children of the marriage" appearing in the first and second sentences of section 580-47 of the Hawaii Revised Statutes is hereby amended to read "children of the parties".

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

(Approved July 14, 1969.)

**ACT 222**

H. B. NO. 460

A Bill for an Act Relating to Agreements between Husband and Wife Made in Contemplation of Divorce or Judicial Separation and Amending Hawaii Revised Statutes Section 573-2.

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

**SECTION 1.** Subsections 573-2(2) and (3), Hawaii Revised Statutes, are amended to read as follows:

"(2) By agreement settling their respective rights in property owned by them, or either of them, when the agreement is made in contemplation of divorce or judicial separation;

"(3) By agreement providing for periodic payments for the support and maintenance of one spouse by the other, or for the support, maintenance, and education of children of the parties, when the agreement is made in contemplation of divorce or judicial separation; provided that the agreement shall be subject to approval by the court in any subsequent proceeding for divorce or judicial separation and that future payments under an approved agreement shall nevertheless be subject to increase, decrease, or termination from time to time upon application and a showing of circumstances justifying a modification thereof;".

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 223**

H. B. NO. 468

A Bill for an Act to Provide Counsel and Other Services to Indigents in Criminal and Related Cases.

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

**SECTION 1. PURPOSE.** The purpose of this Act is to assure indigent defendants in criminal and related cases of competent legal counsel and investigative services in all judicial and relevant administrative proceedings.

**SECTION 2. DEFINITIONS.** In this Act,

(1) "indigent" refers to a person who is without financial means to secure competent legal advice and representation;

(2) "criminal case" means a case in which the defendant is charged with an offense which is punishable by imprisonment for more than sixty days;

(3) "related case" includes a proceeding under the Family Court Act, Section 571-11(1), (2) or (5), Hawaii Revised Statutes; a proceeding which may result in the placement of a person, against his will, in a psychiatric or other medical facility; and a proceeding in which probation or parole revocation is sought;

(4) "non-profit organization" means any private organization incorporating and existing under the provisions of Chapter 416, Hawaii Revised Statutes, having its principal place of business in the State of Hawaii.

**SECTION 3. PUBLIC DEFENDER.** (a) The Supreme Court, to implement the purposes of this Act, shall contract with a non-profit organization which, for at least the past five years, has been providing administrative support to lawyers who are duly licensed by the Supreme Court of the State of Hawaii to provide legal services to indigents. The non-profit organization or division within the non-profit organization which provides the services herein provided for, shall be named the office of the public defender.

(b) Subject to orders of the Supreme Court, the non-profit organization shall employ lawyers who shall provide legal services to indigent defendants in criminal and related cases in all judicial and relevant administrative proceedings, provided there shall be at least one lawyer to provide such legal services in each of the counties.

(c) The non-profit organization shall provide necessary investigative services to indigent defendants.

(d) The court shall determine indigency according to standards of eligibility established by the Supreme Court which will assure that assistance is not extended to anyone who has sufficient funds or resources to secure competent private counsel.

**SECTION 4. DEFENDER COUNCIL.** (a) The by-laws of the non-profit organization shall provide for a governing committee of the office of the public defender, called the defender council which shall consist of eleven (11) members appointed as follows: Five (5) members shall be appointed by the board of directors of the non-profit organization, two (2) members shall be appointed by the Governor, two (2) members shall be appointed by the President of the Senate and two (2) members shall be appointed by the Speaker of the House of Representatives. The members of the council shall elect its chairman.

(b) The members shall be appointed for a term of two years except the first defender council shall have five (5) members elected for a one-year term as follows: The board of directors of the non-profit organization shall appoint two (2) members for a term of one (1) year. The Governor, the President of the Senate and the Speaker of the House of Representatives shall each appoint one (1) member for a term of one year.

(c) The defender council shall be subject to the charter and by-laws of the non-profit organization.

(d) The members of the defender council shall serve without pay, provided, however, that they shall be reimbursed for actual expenditures incurred

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in the performance of their duties.

**SECTION 5. COURT APPOINTMENTS.** (a) The court may appoint counsel for indigent defendants in criminal and related cases in any situation in which the court determines it advisable.

(b) The fee schedule for appointed counsel is as follows:

	Maximum	Minimum
(1) felony case in which the penalty may equal or exceed imprisonment for more than twenty years;	\$1,500	\$250
(2) appeals to the Supreme Court;	1,500	250
(3) any other felony case;	750	50
(4) any other case covered by this Act.	300	50

(c) The fee maximum provided in (b) of this section applies to all services provided in a case, provided the Supreme Court, for fee purposes, may treat the following as separate cases:

(1) a mistrial or trial de novo;

(2) a collateral attack on a judgment or a probation or parole revocation proceeding, when substantial uncompensated attorney time is required.

(d) No attorney may be paid a fee under this section who has received any other compensation for services in the case, nor shall any attorney so paid demand or receive any other compensation for his services.

**SECTION 6. RECOVERY OF COSTS.** The Supreme Court may adopt rules under which the person on whose behalf counsel was provided under this Act may be required to contribute towards or reimburse, at such times and upon such terms as may be appropriate, all or part of the counsel fees and expenses paid on his behalf.

**SECTION 7. TRANSFER OF COSTS.** Any contribution or reimbursement collected by the contracting organization pursuant to Section 6 shall be transferred annually to the State on or before June 30, provided the contracting organization may for good cause and with the approval of the Supreme Court expend such funds for the purposes of this Act.

**SECTION 8. REPEALER.** The first, second, fifth and sixth paragraphs of Section 705-5, Hawaii Revised Statutes, are repealed.

**SECTION 9. APPROPRIATION.** There is appropriated to the Supreme Court out of the general revenues of the State of Hawaii, the sum of \$308,000 or so much thereof as may be necessary, for the purposes of this Act, provided that funds from other sources which may be available to the non-profit organization shall be used first to the maximum extent possible, including any funds made available by the National Defender Project of the National Legal Aid and Defender Association, and provided, further, that funds authorized by this Act which are unencumbered and unexpended on June 30, 1970, shall lapse.

**SECTION 10. EFFECTIVE DATE.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

A Bill for an Act Amending Chapter 150, Hawaii Revised Statutes, Relating to Plant Life, Seeds and Soils.

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

SECTION 1. The title of Chapter 150, Hawaii Revised Statutes, is hereby amended to read as follows:

**“PLANT AND ANIMAL LIFE, SEEDS AND SOILS.”**

SECTION 2. Section 150-1, Hawaii Revised Statutes, is hereby amended in the following particulars:

a. By amending the first paragraph thereof to read:

“The importation of any of the following articles, viz., nursery-stock, tree, shrub, herb, vine, cut-flower, cutting, graft, scion, bud, seed, leaf, root or rhizome; nut, fruit or vegetable; grain, cereal, or legume in the natural or raw state; moss, hay, straw, dry-grass or other forage; unmanufactured log, limb or timber, or any other plant-growth or plant-product unprocessed or in the raw state; sand, soil or earth; live bird, reptile, bacteria, fungi, nematodes, viruses, insect or other organism or animal in any stage of development (that is in addition to the so-called domestic animals, the quarantine of which is provided for in other sections); box, barrel or crate or other container in which such articles have been transported or contained or any packing material used in connection therewith, into the State, shall be made and conducted in the manner and subject to the conditions hereinafter set forth.

“(1) Notification of arrival; rules and regulations. The Board of Agriculture shall, by rules and regulations, prescribe the means by which carriers, passengers on carriers, or other persons shall notify the chief inspector of plant quarantine of the arrival of the articles above enumerated and the retention of said articles at the dock, pier, wharf, airport or other place where they are first received or discharged, in such a manner that they will not spread or be likely to spread any infestation or infection of insects or diseases that may be present until inspection and examination can be made by the chief plant inspector or his assistant, to determine whether or not any such article, or any portion thereof, is infested or infected with any insect or plant disease in any state of development that might be injurious, harmful or detrimental to the agricultural or horticultural industries or natural resources of the State.”

b. By inserting between the words “the contents” in the ninth line of subsection (2) thereof the words “scientific names or”.

c. By amending subsection (3) thereof to read:

“(3) Authority to inspect. The chief inspector, or his assistant, may:

A) enter upon any aircraft, ship, vessel or other carrier, at any time after its arrival within the boundaries of the State, whether off port, in the stream, or at the airport, dock, pier, or wharf;

B) enter into or upon any airport, dock, pier, or wharf, warehouse or

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depot, or any other place in the State, where any of the above-mentioned articles are taken or stored, for the purpose of ascertaining, by inspection and examination, whether or not any such article, which it is desired to import, or any portion thereof, is infested or infected with insects or disease in any state of development that might be injurious or detrimental to the agricultural or horticultural industries or natural resources of the State."

d. By deleting the word "forests" and substituting the words "natural resources" therefor in the penultimate line of subsection (4) thereof.

e. By amending the first sentence of subsection (5) thereof to read:

"Place of inspection. If, in the judgment of the chief plant inspector or his assistant, it is deemed necessary or advisable to remove any of the articles above enumerated or any portion thereof, to a place more suitable for inspection and examination than the airport, dock, pier, wharf or other place where they are first received or discharged, to safeguard the agricultural and horticultural industries or natural resources of the State from any infestation or infection of insects or diseases in any stage of development that is or may be present, authority therefor is granted, and all costs and expense incident to the removal and transportation of such articles or any portion of them to such place shall be borne by the person or his responsible agent owning or having charge thereof."

f. By deleting the word "forests" and substituting the words "natural resources" therefor in the eighth line of subsection (6) and the seventh line of subsection (7) thereof.

g. By amending subsection (10) thereof to read:

"(10) Ports of entry. None of the articles enumerated above in this section (except field seeds, including flower, vegetable and forage crop seeds, nuts, fruits, vegetables, grains, cereals, or legumes in the natural or raw state for immediate consumption, moss, hay, straw, dry-grass, unmanufactured log, limb or timber) shall be allowed entry into the State except through the air and sea ports in the State designated and approved by the department of agriculture."

h. By deleting the sum of "\$100" and substituting the sum of "\$500" therefor in the second line of subsection (11) thereof.

i. By adding a new subsection thereto to read:

"(12) Penalty for defacing declaration form and falsification of information. Any person who defaces the declaration form or forms required under this section, gives false information, or fails to declare restricted materials in his possession or luggage, shall be subject to a fine of not more than \$500 or imprisonment not exceeding six months, or both."

SECTION 3. Section 150-2, Hawaii Revised Statutes, is hereby amended in the following particulars:

a. By amending section 150-2 through subsection (1) thereof to read:

**"Section 150-2. Sand, soil, earth, deteriorated peat, snakes, injurious insects, etc.; importation prohibited.** All persons are prohibited from receiving for transportation, bringing, or causing to be brought to the State, for the purpose of debarkation or entry thereinto, any of the following named articles:

(1) Sand, soil, earth or deteriorated peat; provided, that limited quantities

of sand, soil or earth may be imported into the State for experimental or other scientific purposes, under permit with conditions prescribed by the department of agriculture;"

b. By amending subsection (3) thereof to read:

"(3) Plants with deteriorated peat, sand, soil or earth around the roots;"

c. By amending subsection (4) thereof to read:

"(4) Plant products with deteriorated peat, sand, soil or earth around or adhering thereto, except for experimental scientific purposes under the auspices of the department and except when the same are brought to the State from the mainland of the United States under conditions prescribed by rule or regulation of the department."

d. By deleting the word "forests" and substituting the words "natural resources" therefor in the last line of subsection (5) thereof.

**SECTION 4.** Section 150-3, Hawaii Revised Statutes, is amended by inserting after the comma following the word "sand" and before the word "soil" in the first line, the words "deteriorated peat".

**SECTION 5.** Section 150-4, Hawaii Revised Statutes, is amended by adding the phrase "unless approved by the chief plant inspector" at the end of the section just prior to the period and following the word "thereof".

**SECTION 6.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

A Bill for an Act Amending Chapter 159, Revised Laws of Hawaii 1955, as Amended, Relating to Intoxicating Liquor.

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

**SECTION 1.** Chapter 159 of the Revised Laws of Hawaii 1955, as amended, is hereby amended in the following respects:

(a) By amending Section 159-16(j) by inserting the words "and cabaret" after the word "dispensers".

(b) By amending Section 159-16(k) to read as follows:

"(k) To prescribe, by rule and regulation, the term of any license or solicitor's and representative's permit authorized by this chapter, the annual or pro-rated amount and the manner of payment of fees for such licenses and permits, and the amount of filing fees."

(c) By amending Section 159-39 by changing the title to read "Sec. 159-39. Place of Business; Exception; Solicitors' and Representatives' Permits" and by deleting the fifth, sixth, seventh, eighth and ninth paragraphs thereof.

**SECTION 2.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

A Bill for an Act Relating to the Formation of Professional Corporations.

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

SECTION 1. Chapter 416, Hawaii Revised Statutes, is amended by adding a new part to be designated and to read as follows:

**"PART VIII**  
**PROFESSIONAL CORPORATIONS**

**Sec. 416-141. Title.** This part shall be known as the "Professional Corporation Law".

**Sec. 416-142. Definitions.** As used in this part:

(1) "Professional services" means any type of professional services which may be lawfully rendered only by persons licensed pursuant to chapters 442, 448, 453, 455, 458, 459, 460, 461, 466, 471, and 605.

(2) "Professional corporation" means a corporation organized under this part which is engaged in rendering professional services in a single profession, pursuant to a certificate of registration issued by the regulating board of the profession as herein provided.

(3) "Licensed person" means any natural person who is licensed under chapters 442, 448, 453, 455, 458, 459, 460, 461, 466, 471, or 605, to render the same professional services as are or will be rendered by the professional corporation of which he is, or intends to become, an officer, director, shareholder, or employee.

(4) "Disqualified person" means a licensed person who for any reason becomes legally disqualified either temporarily or permanently, to render the same professional services which the particular professional corporation of which he is an officer, director, shareholder, or employee is or was rendering.

(5) "Regulating board" means the board which is charged with the licensing and regulation of the practice of the profession which the professional corporation is organized to render, or in the case of attorneys, the supreme court of the State.

**Sec. 416-143. Other laws.** The provisions of this chapter shall apply to professional corporations, except where such provisions are in conflict with or inconsistent with the provisions of this part. A professional corporation which has only one shareholder need have only one director who shall be such shareholder and who shall also serve as the president and treasurer of the corporation. The other officers of the corporation in such situation need not be licensed persons. A professional corporation which has only two shareholders need have only two directors who shall be such shareholders. The two shareholders between them shall fill the offices of president, vice president, secretary, and treasurer. A professional corporation which has three or more shareholders shall have at least three directors, all of whom shall be shareholders, and all officers shall be shareholders.

**Sec. 416-144. Formation of corporation.** A corporation may be formed under this chapter for the purposes of qualifying as a professional corporation. The articles of association of a professional corporation shall contain a specific statement that the corporation is a professional corporation within the meaning of this part. No professional corporation shall render professional services in this State without a currently effective certificate of registration issued by the regulating board of the profession in which the corporation is or proposes to be engaged.

**Sec. 416-145. Services rendered.** A professional corporation may lawfully render professional services, but only through employees who are licensed persons. The corporation may employ persons not so licensed, but such persons shall not render any of the professional services which are rendered or are to be rendered by the corporation. In the case of the legal profession, nothing herein shall be construed as purporting to limit the power of the Supreme Court of the State of Hawaii to determine the conditions under which persons shall be admitted to the practice of law.

**Sec. 416-146. Issuance of shares.** Shares of capital stock in a professional corporation may be issued only to a licensed person, and any shares issued in violation of this restriction shall be void. No shareholder of a professional corporation shall enter into a voting trust, proxy, or any other arrangement vesting another person, other than another licensed person who is a shareholder of the same corporation, with the authority to exercise the voting power of any or all of his shares, and any such purported voting trust, proxy, or other arrangement shall be void.

**Sec. 416-147. Transfer of shares.** Shares in a professional corporation may be transferred only to a licensed person or to the professional corporation, and any transfer in violation of this restriction shall be void.

A professional corporation may purchase and redeem its own shares without regard to any restrictions provided in this chapter upon the purchase and redemption of shares of its own stock by a corporation, if at least one share remains issued and outstanding after such purchase and redemption.

If the corporation fails to acquire all of the shares of a disqualified or deceased shareholder, or if the disqualified shareholder or the representative of a deceased shareholder fails to transfer said shares to the corporation or to a licensed person, within ninety days following the date of disqualification, or within six months following the date of death of such shareholder, as the case may be, then the certificate of registration of the professional corporation may be suspended or revoked by the regulating board of the profession in which the corporation is engaged. In the event of such suspension or revocation the corporation shall cease forthwith to render professional services.

**Sec. 416-148. Suspension or revocation of certificate of registration.** The following shall be grounds for the suspension or revocation of the certificate of registration of a professional corporation by the regulating board: (1) if all shareholders of the corporation at any one time become disqualified persons, or (2) if the sole shareholder becomes a disqualified person, or (3) if the

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corporation knowingly employs or retains in its employment a disqualified person, or (4) if the corporation violates any applicable rule or regulation adopted by the regulating board of the profession in which the corporation is engaged, or (5) if any income of the professional corporation attributable to professional services rendered while a shareholder is a disqualified person accrues to the benefit of such shareholder or his shares in the professional corporation, or (6) if the corporation violates any statute applicable to a professional corporation. In the event of such suspension or revocation of its certificate of registration, the corporation shall cease forthwith to render professional services.

**Sec. 416-149. Name.** A professional corporation may adopt any name permitted by a law expressly applicable to the profession in which the corporation is engaged or by a rule or regulation of the regulating board of such profession; provided, that such name shall not be substantially the same as the name of a domestic corporation, the name of a foreign corporation which is authorized to transact business in this State, or a name which is under reservation for another corporation. The director of regulatory agencies may require proof by affidavit or otherwise establishing that the name of the professional corporation complies with the requirements of this section, and of the law governing the profession in which the professional corporation is engaged, and of the rules or regulations of the regulating board of the profession. The statements of fact in such affidavits may be accepted by the director of regulatory agencies as sufficient proof of the facts.

**Sec. 416-150. Professional regulation.** A professional corporation shall be subject to the applicable rules and regulations adopted by, and all the disciplinary powers of, the regulating board of the profession in which the corporation is engaged. Nothing in this part shall effect or impair the disciplinary powers of any such agency over a licensed person or any law, rule, or regulation pertaining to the standards for professional conduct of licensed persons or to the professional relationship between any licensed person furnishing professional services and the person receiving such services.

**Sec. 416-151. Additional powers of regulating board.** In addition to all of its other regulatory and disciplinary powers, the regulating board shall have the following powers and duties with respect to professional corporations:

(1) Registration with regulating board: Any applicant for incorporation under this part shall register with the regulating board of the profession in which the proposed professional corporation is to be engaged. An applicant for registration as a professional corporation shall supply to the regulating board all necessary and pertinent documents and information requested by the regulating board concerning the applicant's plan of operation, including but not limited to, a copy of its articles of association, certified by the director of regulatory agencies, a copy of its bylaws, certified secretary of the corporation, the name and address of the corporation, the names and addresses of its officers, directors, shareholders, and employees who will render professional services, the address of each office, and any fictitious name or names which the corporation intends to use. The regulating board may provide forms of application.

If the regulating board finds that the corporation is duly organized and existing pursuant to this chapter, that each officer, director, shareholder, and each employee who will render professional services is a licensed person as defined in this part, and that from the application it appears that the affairs of the corporation will be conducted in compliance with law and the rules and regulations of the regulating board, the regulating board shall, upon payment of the registration fee in such reasonable amount as it may determine, issue a certificate of registration. The application shall be signed and verified by an officer of the corporation.

(2) Reports of personnel changes: Within such time as the regulating board may by rule provide, the professional corporation shall report in writing to the regulating board any change in directors, officers, employees performing professional services, and share ownership, and amendments to its articles of association and bylaws.

(3) Annual reports: Each professional corporation shall file with the regulating board annually and at such other times as the regulating board may require, a report containing such information pertaining to qualification and compliance with the statutes and rules and regulations of the regulating board as the regulating board may determine. The fee for filing such a report shall be fixed by the regulating board. All reports shall be signed and verified by an officer of the corporation.

(4) Rules and regulations: The regulating board may formulate and enforce rules and regulations to carry out the purposes and objectives of this section, including rules and regulations requiring (A) that the articles of association or bylaws of a professional corporation shall include a provision whereby the capital stock of the corporation owned by a disqualified person, or a deceased person, shall be sold to the corporation or to the remaining shareholders of the corporation within the time provided in section 416-147, and (B) that a professional corporation as a condition of obtaining a certificate pursuant to this part shall provide adequate security by insurance or otherwise for claims against it by its patients or clients arising out of the rendering of professional services.

**Sec. 416-152. Professional relationships between persons not affected.**

The provisions of this chapter shall not be construed to alter or affect the professional relationship between a person furnishing professional services and a person receiving the service with respect to the confidential relationship between the person rendering the professional service and the person receiving the professional service, if any, and all such confidential relationships enjoyed under the laws of this State, whether now in existence or hereafter enacted, shall remain inviolate.

**Sec. 416-153. Personal liability of shareholders; liability of professional corporation for acts of shareholders, etc.** Any shareholder of a professional corporation shall remain personally and fully liable and accountable for any negligent or wrongful acts or misconduct committed by him while rendering professional services on behalf of the professional corporation to the person for whom such professional services were being rendered. Such share-

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holder shall not, by reason of being a shareholder, be personally liable for any debts or claims against, or the acts or omissions of, the professional corporation or of another shareholder or employee of the professional corporation, but the professional corporation shall be liable for the acts or omissions of its shareholders, officers, agents, employees, and servants to the same extent to which an ordinary business corporation would be liable for the acts or omissions of its officers, agents, employees, and servants while they are engaged in carrying on the corporate business.

**Sec. 416-154. Provisions severable.** If any provision of this part or the application thereof to any person or circumstance is held to be invalid, the invalidity shall not affect other provisions or applications of the part which can be given effect without the invalid provisions or applications, and to this end the provisions of this part are severable."

**SECTION 2.** Section 416-1, Hawaii Revised Statutes, is amended by inserting after the word "profession" in the first sentence a phrase to read as follows:

"except pursuant to part VIII of this chapter,".

**SECTION 3.** Section 605-14, Hawaii Revised Statutes, is amended by amending the proviso clause in the first sentence to read as follows:

";; provided that nothing herein shall be deemed to authorize the licensing of a corporation to practice law except as provided in part VIII of chapter 416."

**SECTION 4.** Section 448-15, Hawaii Revised Statutes, is amended by adding at the end of the first sentence a clause to read as follows:

"", nor shall it apply to professional corporations as defined in part VIII of chapter 416."

**SECTION 5.** Chapter 235, Hawaii Revised Statutes, is amended by adding at the end of subsection 235-4(d) and at the end of the first paragraph of subsection 235-71(a) a paragraph to read as follows:

"‘Corporation’ includes any professional corporation incorporated pursuant to part VIII of chapter 416."

**SECTION 6.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 227**

H. B. NO. 857

A Bill for an Act Relating to Tort Actions Based on Negligence and Amending Chapter 663 - Hawaii Revised Statutes.

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

**SECTION 1.** Chapter 663 of the Hawaii Revised Statutes is amended by adding a new Part to be appropriately designated and to read as follows:

**PART . COMPARATIVE NEGLIGENCE**

**"Section 663. Contributory negligence no bar; comparative negligence; findings of fact and special verdicts.** "(a) Contributory negligence shall not bar recovery in any action by any person or his legal representative to recover damages for negligence resulting in death or in injury to person or property, if such negligence was not as great as the negligence of the person against whom recovery is sought, but any damages allowed shall be diminished in proportion to the amount of negligence attributable to the person for whose injury, damage or death recovery is made.

"(b) In any action to which subsection (a) of this section applies, the court, in a nonjury trial, shall make findings of fact or, in a jury trial, the jury shall return a special verdict which shall state:

"(1) The amount of the damages which would have been recoverable if there had been no contributory negligence; and

"(2) The degree of negligence of each party, expressed as a percentage.

"(c) Upon the making of the finding of fact or the return of a special verdict, as is contemplated by subsection (b) above, the court shall reduce the amount of the verdict in proportion to the amount of negligence attributable to the person for whose injury, damage or death recovery is made, provided, however, that if the said proportion is equal to or greater than the negligence of the person against whom recovery is sought, then, in such event, the court will enter a judgment for the defendant."

**SECTION 2.** The provisions of this Act shall not be retroactive and shall affect only those claims accruing after its effective date.

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

(Approved July 14, 1969.)

ACT 228

H. B. NO. 866

A Bill for an Act Amending Chapter 281, Hawaii Revised Statutes, as Amended, Relating to Intoxicating Liquor.

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

**SECTION 1.** Section 281-78 of the Hawaii Revised Statutes is hereby amended by amending the third paragraph thereof to read as follows:

"(2) Be sold or delivered on election days during the hours election booths are open for voting; provided that the commission may, by rule or regulation, and during such hours and under such terms, restrictions and classifications as it may therein prescribe, permit liquor to be sold and delivered on such days;"

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**A Bill for an Act Making an Appropriation for a Study of Retirement Benefits and Cost of Living by the Employees' Retirement System.**

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

**SECTION 1.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000, or so much thereof as may be necessary, for a study to be undertaken by the Board of Trustees of the Employees' Retirement system of retirement benefits and the cost of living, which study shall include:

(1) A description of the benefit formulas under which payments are now being made, tracing the history of changes in the basic formula and types of benefits, various benefit increases authorized specifically for pensioners, and changes in philosophy underlying the benefit structure;

(2) Statistical information concerning those now receiving benefits and those projected to receive benefits which would be pertinent to understanding the dimensions of the problem, together with an analysis of the effect of projected increases in the cost of living and the adequacy of existing formulas to meet these increases;

(3) Analysis of the retirement allowances as originally granted, the effect of changes in the cost of living since the date of retirement and the effect of improvements in benefits which have been provided, such as the pensioners' bonus, social security coverage and the post retirement benefit and related measures including coverage under the Hawaii public employees health fund, with detailed consideration of the individuals who have been, or who will be, affected by these actions;

(4) Consideration of the adequacy of the original retirement benefit in terms of length of service, salary basis, type and mode of retirement, as compared with current benefit formulas, including the effect of social security coverage, changes in actuarial assumptions and factors, and related matters;

(5) Development of various alternative formulas for increasing benefits already in force, including consideration of length of service, salary basis, type and mode of retirement; the pros and cons of each alternative and the related costs;

(6) Development of various alternative programs for meeting the problem of projected increases in the cost of living, and the related costs;

(7) Consideration of feasible methods of meeting the costs of the various plans of improvement in benefits, including, but not limited to, revision in the investment authority of the retirement system, including the financial and actuarial implications of the present post retirement benefit formula; and

(8) Description of the steps taken by other governmental retirement systems and by private pension systems to meet the same problem.

**SECTION 2.** The study shall be submitted to the legislature 20 days prior to the convening of the 1970 session.

**SECTION 3.** The sum appropriated shall be expended by the depart-

ment of budget and finance for the employees' retirement system for the purpose of this Act.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 230**

**H. B. NO. 979**

A Bill for an Act Relating to the Establishment of a Loan Assistance Program for Students at the University of Hawaii and the Community Colleges and Amending Chapter 304, Hawaii Revised Statutes.

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

**SECTION 1.** Chapter 304, Hawaii Revised Statutes, is amended by adding thereto the following part, to be appropriately numbered and to read as follows:

**"PART IV. STUDENT LOAN ASSISTANCE PROGRAM.**

**Sec. 304- . Student loan fund.** There is hereby created a special fund, which shall be known as the state higher education loan fund. The fund shall be a revolving fund and all interest and payments received on account of principal shall be credited to the fund. The fund shall be administered by the board of regents of the University of Hawaii and shall be disbursed to needy students pursuant to rules and regulations adopted by the board of regents.

**Sec. 304- . Eligibility for loans; amounts.** Eligibility for loans from the loan fund is limited to students at the University of Hawaii or the community colleges of the State who have been residents of the State for at least one year and are enrolled in a full-time program which culminates in the award of a degree. The amount to be loaned to a student shall be determined by the board of regents based on need for financial aid, academic promise, and deportment. In no event shall the amount loaned to any student in any school year exceed the sum of tuition and mandatory registration fees, mandatory special fees charged for the use of laboratories, mandatory fees charged for participation in student activities and privileges, the cost of required textbooks, and up to \$200 per month during the school year and excluding summer session, to defray room and board expenses.

**Sec. 304- . Repayment of loans.** All loans made under this part shall bear interest at one half the commercial loan interest rate prevailing in the State at the time when repayment of the loan begins. Repayment of principal and interest charges shall commence six months after graduation or withdrawal from the degree program and shall be paid in monthly installments over a ten year period. The board of regents may, upon application by the student and upon a showing of good cause, defer repayment of the loan and commencement of interest. Liability for repayment of a loan shall be cancelled upon the death of permanent total disability of the borrower.

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**Sec. 304- . Capacity of minors.** Any student otherwise qualifying for a loan under this program shall not be disqualified by reasons of his being under the age of twenty years, and for the purpose of applying for, receiving, and repaying the loan, any such person shall be deemed to have full legal capacity to act and shall have all rights, powers, privileges, and obligations of an adult with respect thereto.

**Sec. 304- . Rules and regulations.** The board of regents shall have power in accordance with Chapter 91, Hawaii Revised Statutes, to adopt rules and regulations necessary for the administration of this program."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## ACT 231

H. B. NO. 1006

A Bill for an Act Relating to Industrial Loan Licenses.

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

SECTION 1. Chapter 408 of the Hawaii Revised Statutes is amended by adding a new section to be appropriately numbered and to read as follows:

**"Sec. 408- . Transfer of Licenses.** (a) No license issued under this chapter shall be transferred or assigned without the prior written approval of the bank examiner.

"(b) If the licensee is a corporation, any transfer of its voting stock shall be reported in writing to the bank examiner within fifteen days after the date of such transfer. Failure or refusal to notify the bank examiner of such transfer shall be cause for the suspension or revocation of the license.

"The bank examiner may, upon determination that the transferee or any other person has gained direct or indirect control of the corporate licensee by such transfer and upon determination that such transferee or other person is unfit or an improper person to hold a license pursuant to Section 408-8, suspend or revoke the corporate license."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## ACT 232

H. B. NO. 1015

A Bill for an Act Relating to Minimum Lot Sizes Within Agricultural Districts.

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

SECTION 1. Paragraph (b) of Section 205-5, Hawaii Revised Statutes, is hereby amended to read as follows:

"(b) Within agricultural districts, uses compatible to the activities described in section 205-2 as determined by the land use commission shall be per-

mitted. Other uses may be allowed by special permits issued pursuant to this chapter. The minimum lot size in agricultural districts shall be determined by each county through its zoning ordinance, subdivision ordinance or other lawful means, provided that in no event shall the minimum lot size for any agricultural use be less than one acre."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 233**

H. B. NO. 1079

**A Bill for an Act Relating to Advance Payment of Expenses in Personal Injury and Property Damage Cases.**

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

**SECTION 1.** In any action brought to recover damages for personal injuries, wrongful death or property damage no payment made by the defendant or the defendant's insurance company to or for the plaintiff or any other person, hereinafter called an "advance payment", shall be construed as an admission of liability by any person. Except as provided in Section 2, evidence of such payment shall not be admissible during the trial for any purpose by either plaintiff or defendant.

**SECTION 2.** If in such action it is determined that plaintiff is entitled to recover, defendant may introduce evidence of any advance payment made, and the court shall reduce the award to the plaintiff to the extent that said award includes an amount paid by any such advance payment.

**SECTION 3.** If such action results in a final judgment for defendant, plaintiff, upon receipt of a written demand, shall refund to defendant or defendant's insurance company any advance payment made to or for him by defendant or defendant's insurance company.

**SECTION 4.** No advance payment made by an insurance company on behalf of an insured shall increase the limits of liability of the insurance company under any existing policy of insurance, and the amount of any advance payment made in respect to any claim shall be credited against any obligation of the insurance company in respect to said claim.

**SECTION 5.** This Act shall take effect on January 1, 1970.

(Approved July 14, 1969.)

**ACT 234**

H. B. NO. 1124

**A Bill for an Act Relating to Contractors and Amending Chapter 444, Hawaii Revised Statutes.**

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

## **ACT 235**

**SECTION 1.** Chapter 444- . Bond. The Contractors License Board may require each licensee, applicant, individual or corporate, who is a specialty contractor to put up bond in the sum of not less than \$2,500 executed by the licensee or applicant as principal and by a surety company authorized to do business in the State as surety.

The Board may require each licensee, applicant, individual or corporate, who is a general contractor to put up a bond in the sum of not less than \$5,000 executed by the licensee or applicant as principal and by a surety company authorized to do business in the State as surety.

The Board, in exercising its discretion shall take into consideration the licensee's or applicant's financial condition and his experience in the field.

The bond shall be in such form as the Board may prescribe, conditioned upon the payment of wages, as defined in Section 104-1(5), to the employees of the contractor when due, and giving employees who have not been paid a right of action on the bond in their own names; and upon the honest conduct of the business of the licensee, and upon the right of any person injured or damaged by any wrongful act of the licensee to bring in his own name an action on the bond; provided that any claim for wages shall have priority over all other claims.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 235**

H. B. NO. 1116

### A Bill for an Act Relating to Petroleum and Petroleum Products.

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

**SECTION 1.** Section 486-1, Hawaii Revised Statutes, is amended by adding the following definitions, to be appropriately numbered and to read as follows:

“( ) The term “gasoline”, means any petroleum product which conforms to the standards set forth in D-439 of American Society for Testing Materials, except that (A) vapor pressure specification may be omitted, and (B) a distillation end point specification of 437 degrees F maximum shall be added.

( ) The terms “octane number or octane rating”, means the Research Octane Number (RON) for fuel as defined by the American Society for Testing Materials.

( ) The term “petroleum product dispenser”, means a commercial measuring device subject to this chapter and includes but is not limited to: lubricating oil bottles, measure-containers, containers, and mechanisms or machines designed to measure and deliver liquid by a definite volume. Means may or may not be provided (A) to indicate automatically or on a command signal, one of a series of unit prices or the total money value or cost of the liquid measured, or (B) to make deliveries corresponding to specific money values at a definite unit price.

( ) The term “manufacturer”, includes manufacturers, processors, pro-

ducers, packers, refiners, importers, dealers, or agents at wholesale or retail level.

( ) The term "advertising" or "advertising medium", includes all publicity, mass media, signs, banners, posters, placards, labels, streamers, marks, brands, grades, descriptions, or displays.

( ) The term "petroleum product", includes gasoline, liquefied petroleum gas when used as fuel, distillate, diesel fuel, kerosene, thinner, solvent, or any motor fuel or any oil represented as lubricating or motor oil.

( ) The terms "standard test" or "standard method", means tests or methods conducted or prescribed in accordance with the latest published standards of: The American Society for Testing Materials, The United States of America Standards Institute, The National Bureau of Standards, or any test or method prescribed in this chapter or in accordance with regulations promulgated pursuant to this chapter.

( ) The term "vehicle tank", means any tank, which is mounted on a vehicle and is intended for use as a commercial measure.

( ) The term "holding tank", means any tank, other than vehicle tanks, intended to hold, store, or otherwise contain, any product for commercial use, either as a measure per se or as a container.

( ) The term "lubricating oil", means those products which are intended for use in internal combustion engines and which conform to the specifications of this chapter or the regulations promulgated pursuant to this chapter. In addition to all other requirements of this chapter: (A) Lubricating oil shall be free from water and suspended matter when tested by means of centrifuge, in accordance with the standard test therefor. (B) Lubricating oil containers shall be marked so as to include on the label a designation of the S.A.E. viscosity classification. The viscosity may also be expressed in Saybolt Seconds Universal (SSU) at 210 degrees F. The flash points for the various S.A.E. (Society of Automotive Engineers) classifications shall not be less than the following when tested in accordance with the Standard Test for flash point and fire point by means of the Cleveland open cup:

Viscosity Classification	Minimum Flash Degrees Fahrenheit
SAE 5W	305
SAE 10W	335
SAE 20W	345
SAE 20	345
SAE 30	355
SAE 40	375
SAE 50	400
Grade 60	435
Grade 70	470

(C) Lubricating oil containers shall be marked so as to disclose whether the contents have previously been used for the lubricating of internal combustion engines or any gearing or shafting attached thereto, or for any other lubri-

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cating purposes, or have been re-run, filtered redistilled, reclaimed, or re-refined."

**SECTION 2.** Section 486-9, Hawaii Revised Statutes, is amended by deleting from the second paragraph the "and" which precedes item (4) and by adding a new item (5) at the end of the paragraph to read as follows:

"And (5) specifications, tolerances, and other technical requirements with respect to the packaging, handling, storing, advertising, labeling, dispensing, and selling of petroleum products which the director deems necessary for the protection of the consumer."

**SECTION 3.** All laws or portions thereof which are inconsistent with this Act are repealed.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 236**

H. B. NO. 1131

A Bill for an Act Relating to the Establishment of a Non-Profit Corporate Foundation Enabling Acceptance of Funds and Gifts.

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

**SECTION 1.** Statement of Purpose. The purpose of this Act is to create a non-profit corporation for historic preservation, restoration, presentation, museum activities, and support programs; and in cooperation with and in assistance to the department of land and natural resources and other state agencies to receive sites, buildings, and objects significant in Hawaii's history and culture, to preserve and administer them for public benefit; to accept, hold, and administer gifts, securities, grants, scholarships, endowments, private bequests or other property of whatsoever character for a comprehensive historical preservation and/or museum's program.

This agency shall be the depository of all resources which are made available or offered of desirable land, historical collections, and donations made by groups and persons as gifts to the state to help insure the Hawaiian heritage.

**SECTION 2.** Establishment of the Hawaii Foundation for History and the Humanities; board of trustees. There is hereby created an educational, non-profit corporation to be known as the Hawaii Foundation for History and the Humanities which shall be headed by a board of trustees.

The board shall consist of fifteen (15) members of which the following shall serve as ex officio voting members of the board:

- (1) President of the University of Hawaii,
- (2) Chairman of the board of land and natural resources,
- (3) Director of planning and economic development,
- (4) Chairman of the state foundation on culture and arts.

The remaining members shall be chosen by the members of the Hawaii Foundation from its membership at any regular meeting of the Hawaii Foun-

dation except that the initial members of the Board shall be appointed by the Governor of Hawaii. Each member of the Board other than ex officio members shall serve for a term of five years from the expiration of his predecessor's term, except that the members first appointed shall serve for terms of from one to five years as designated by the Governor at the time of appointment.

A vacancy in the Board shall be filled for the balance of the unexpired term as prescribed in the rules and regulations of the Foundation. The Chairman of the Board shall be elected by majority vote of the members of the Board. No compensation shall be paid to members of the Board of Trustees for their services as such members, but they may be reimbursed for travel and actual and reasonable expenses necessarily incurred by them in attending Board meetings and performing other official duties on behalf of the Hawaii Foundation at the direction of the Board.

Membership shall be open to any resident of Hawaii upon payment of such reasonable fees as the board of trustees may prescribe.

**SECTION 3. Powers and duties. The Hawaii Foundation for History and the Humanities shall have the following powers and duties:**

(1) to have succession until dissolved by Act of the Hawaii State Legislature, in which event title to the properties of the Hawaii Foundation, both real and personal, shall, insofar as consistent with existing contractual obligations and subject to all other legally enforceable claims or demands by or against the Hawaii Foundation, pass to and become vested in the State of Hawaii;

(2) to sue or be sued in its corporate name;

(3) to adopt, alter, and use a corporate seal;

(4) to adopt a constitution and to make such bylaws, rules and regulations, not inconsistent with the laws of the State of Hawaii, as it deems necessary for the administration of its functions, including among other matter, by-laws, rules and regulations governing visitation to historic properties, museums and other facilities under its control, administration of corporate funds, and the organization and procedure of the Board of Trustees;

(5) to accept, hold, and administer funds and properties from private or governmental agencies for the purposes for which the Hawaii Foundation is created and in accordance with such conditions as the transferring agency or the legislature may prescribe under the law;

(6) to accept, hold, and administer gifts and bequests of money, securities, or other personal property of whatsoever character, in trust, for the purposes for which the Hawaii Foundation is created. Unless otherwise restricted by the terms of the bequest of gift, the Hawaii Foundation is authorized to sell, exchange, or otherwise dispose of, and to invest or reinvest in such investments as it may determine from time to time the moneys, securities, or other property given or bequeathed to it. The principal of such corporate funds, together with the income therefrom and all other revenues received by it from any source whatsoever, shall be placed in such depositories as the Hawaii Foundation shall determine and shall be subject to expenditure by the Hawaii Foundation for its corporate purposes;

(7) to acquire by gift, devise, purchase, and to hold in trust real property

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for the state and for the people of Hawaii unless otherwise restricted by the terms of the gift or devise, to encumber, convey, or otherwise dispose of any real property, or any estate or interest therein with the exception that no designated historic site or monument may be encumbered, conveyed, or disposed of without Legislative approval, as may be necessary and proper in carrying into effect the purposes of the Hawaii Foundation;

(8) to conduct research, studies and investigations in the fields of history and the humanities, and to make, publish, and distribute the results thereof;

(9) to coordinate and correlate activities and projects of the Hawaii Foundation with the work of the University of Hawaii, the department of land and natural resources, the Hawaii Foundation on Culture and the Arts and other state agencies to further the purposes of this Act;

(10) to review the work of the department of land and natural resources and to collaborate with it on its functions under chapter 6, Hawaii Revised Statutes, pertaining to historical objects and sites, and to review such surveys and historic preservation plans as may be required, and to approve properties for nomination to the National Register as provided for in the Historic Preservation Act of 1966, Public Law 89-665;

(11) to enter into contracts and to execute all instruments necessary and appropriate to carry out the purposes of the foundation;

(12) to designate particular places, as places of historic interest, and to take such action, including erection of a sign or marker, as may be appropriate for public recognition and appreciation of such site;

(13) to approve all designations of particular places as places of historical interest.

**SECTION 4.** Development of Support Programs. The Hawaii Foundation shall develop a continuing comprehensive museum and museum activities support program which shall include, but not be limited to:

(1) providing matching grants-in-aid to governmental or private agencies for projects which fulfill the purposes of this Act;

(2) providing technical assistance and staff development and training opportunities; and

(3) assisting in the training of competent museum personnel and in the development of employment and career opportunities in museum and related fields.

**SECTION 5.** Annual report. The Hawaii Foundation for History and the Humanities shall submit an annual report to the governor, the state senate, and the state house of representatives. The report shall include, but not be limited to, the total number and amount of gifts received, payroll disbursements, contracts entered into, and progress and accomplishments made during the year.

**SECTION 6.** Creation of state trust for historic preservation. The Hawaii Foundation for History and the Humanities shall in cooperation with the State Foundation on Culture and the Arts develop a plan for creation of a state trust for historic preservation, the purpose of which will be to provide coordination of the efforts of both foundations in the field of history, and shall present such

plan to the legislature at its next session.

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

(Approved July 14, 1969.)

ACT 237

H. B. NO. 1136

A Bill for an Act Relating to the Progressive Neighborhoods Program.

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

SECTION 1. Act 299, Session Laws of Hawaii 1967, as amended by Act 52, Session Laws of Hawaii 1968, is amended by adding a new part, to be appropriately numbered, reading as follows:

**"PART . HEALTH AND EMPLOYMENT LINKAGES IN HIGH SCHOOLS.**

"**Section Purpose.** Evidence gathered through the Model Cities Program shows that very little linkages exist between educational, health, social service, and employment systems. Thus the lack of linkages adversely affects high school students particularly those who are not, by choice, college bound. These students find entrance to the job market impeded because of poor health, limited counselling, insufficient vocational training, and lack of placement and job development services.

The purpose of this part, therefore, is to provide an exemplary demonstration of coordinated services to high school students in the Waianae-Nanakuli and Kalihi-Palama Progressive Neighborhood Areas. The focus will be in providing help to each high school student so that he can develop and execute a plan of entering the job market or continuing his education following graduation. The demonstration will be a cooperative venture with the Model Cities Program.

**Section . Authorization.** For purposes of this part, the Department of Labor and Industrial Relations is authorized to establish six additional employment vocational counsellor and eight job developer positions; the Department of Health is authorized to establish six additional public health nursing positions; the Department of Education is authorized to establish six additional dropout aide positions, and six additional school social worker positions; and the Governor's Office is authorized to establish two coordinator and two secretarial positions.

All positions above-mentioned shall be detached from their departments to serve as teams under the administrative supervision of coordinators who shall be appointed by the Governor.

**Section . Appropriation.** There is appropriated to the Governor's Office out of the general revenues of the State the sum of \$300,000, or so much thereof as may be necessary, for the purpose of the act, subject however to funding by the Model Cities Program for other parts of this demonstration project."

## **ACT 238**

**SECTION 2.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 3.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

**ACT 238**

**H. B. NO. 1146**

A Bill for an Act Amending Requirement of Certificate of Inspection Prior to Issuance of Transfer of Temporary or Permanent Registration of Motor Vehicle by Treasurer.

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

**SECTION 1.** Subsection (d) of section 286-26, Hawaii Revised Statutes, shall not be applicable and shall not be enforced for the period commencing the effective date of this Act and ending December 31, 1970. Thereafter, subsection (d) of section 286-26 shall be applicable and in full force and effect.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 239**

**H. B. NO. 389**

A Bill for an Act Relating to the Hawaii Housing Authority.

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

**SECTION 1.** Chapter 356 of the Hawaii Revised Statutes is amended by adding the following sections to be appropriately designated and to read as follows:

**(A) "Section 356- . Assistance to county governmental agencies and persons.** The authority may provide assistance and aid to a public agency or a person in developing and constructing new housing and rehabilitating old housing for the elderly, persons displaced by any governmental action, low and moderate-income persons, and university and college students and faculty, by making available long-term, low-interest mortgage loans from the proceeds of tax-exempt general obligation bonds, to be retired from revenue and to be sold on the open market. The authority may charge service fees and premiums upon the issuance of any mortgage loan under this section. The service fees and premiums shall be paid into a special fund in the state treasury, and shall be

used first to pay the interest on bonds issued under this section, and then to pay the expenses of the Hawaii housing authority in administering the mortgage loan program established by this section.

The assistance or aid shall not be furnished with respect to any specific proposal or project unless the county governmental agency within whose jurisdiction the proposal or project is or is proposed to be situated shall have given its consent.

Debt service on the bonds and administrative costs would be paid from income received from rents and carrying charges. The agency may obtain from any federal agency any insurance or guarantee for the payment of interest or principal, or both, on any obligations issued by the agency pursuant to the provisions of this Act.

The authority may issue general obligation bonds in an amount not to exceed \$15,000,000 to effectuate the purposes of this section subject to prior approval of the Governor."

**(B) "Section 356- . Housing for the elderly.** Notwithstanding any statute or ordinance to the contrary, multi-story housing projects for the elderly shall be developed only on land which is either zoned or designated for apartment or business use on the general plans and/or detailed land use plan of the respective county wherein the land to be utilized for such projects are located and shall be exempt from building height restrictions and floor area ratio formulas applicable to the zoning or use designation. The director shall before approving such a project hold a public hearing pursuant to chapter 91."

SECTION 2. Section 356-16 of the Hawaii Revised Statutes is amended by adding the following subsections to read as follows:

"(4) To advise, aid, and assist governmental agencies and private persons regarding the nature and availability of federal assistance for housing development and community development or redevelopment.

(5) To provide assistance to county governmental agencies, upon request from the agencies, in the development of programs to correct or eliminate blight and deterioration, and to effect community development.

(6) To provide statistics and research service for the collection and dissemination of data and information affecting housing and community development.

(7) To collect and make available to the public federal, state, and county laws and information about aids applicable to housing and community development.

(8) To furnish counseling and guidance services to aid any public agency or any person in securing the financial aid or cooperation of the federal government in undertaking, constructing, maintaining, operating, or financing of any housing designed for the elderly, displaced persons by governmental action, low and moderate income persons, and university and college students and faculty.

(9) To contract or sponsor, subject to the availability of federal funds, experimental or demonstration projects for permanently fixed or mobile housing designed to meet the needs of the elderly, persons displaced by governmental

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action, low and moderate income persons and university and college students and faculty. The contracts or sponsorship agreement may be with counties, housing authorities, and any persons."

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

(Approved July 14, 1969.)

## **ACT 240**

S. B. NO. 1022

A Bill for an Act Relating to Limited Partnerships.

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

**SECTION 1.** Section 186-44, Revised Laws of Hawaii 1955, is hereby amended to read as follows:

**"Sec. 186-44. Requirements for amendment and for cancellation of certificate.** (a) The writing to amend a certificate shall (1) conform to the requirements of section 186-21 as far as necessary to set forth clearly the change in the certificate which it desires to make; and (2) be signed and acknowledged by all the general partners and at least five per cent of the limited partners, but not to exceed ten limited partners unless the certificate requires no limited partner's signature or such other number of limited partners' signatures in which event the signatures of the limited partners as provided for in the certificate shall be required. Notwithstanding the previous sentence, in case of an amendment substituting a limited partner, or admitting a limited partner or general partner or permitting a general or limited partner to withdraw from the partnership, the amendment shall be signed and acknowledged also by the member to be substituted or added or who withdraws, and when a limited partner is to be substituted, the amendment shall also be signed and acknowledged by the assigning limited partner.

(b) The writing to cancel a certificate shall be signed and acknowledged by all members; provided however, that if the partnership has 15 or more limited partners and the certificate does not require the signatures of all limited partners then the cancellation may be signed by all the general partners and such percentage of limited partners required by section 186-44(a) or such number of limited partners as required by the certificate.

(c) If any person designated above as a person who must execute the writing refuses to do so, a person desiring the cancellation or amendment of a certificate, may bring a suit in equity, in the circuit court of the circuit in which the principal place of business of the limited partnership is situated, for an order directing the cancellation or amendment thereof.

(d) If the court finds that the petitioner has a right to have the writing executed by a person who refuses to do so, it shall order the director of regulatory agencies to record the cancellation or amendment of the certificate; and where the certificate is to be amended, the court shall also cause to be filed in the office of the director a certified copy of its decree setting forth the amendment.

(e) A certificate is amended or cancelled when there is filed in the office

of the director of regulatory agencies a writing in accordance with the provisions of paragraph (a) or (b), a certified copy of the order of court in accordance with the provisions of paragraph (d).

(f) After the certificate is duly amended in accordance with this section, the amended certificate shall thereafter be for all purposes the certificate provided for by this part."

SECTION 2. A new section is hereby added to chapter 186, part II, to read as follows:

**"Sec. 186-49. Annual statement.** Every limited partnership shall file an annual statement on or before March 31 of each year as of December 31 of the preceding year containing the following information:

(a) The name of the limited partnership;

(b) The name and residence address of each partner, and whether he is a general or limited partner;

(c) The nature of the limited partnership business;

(d) The location of the principal place of business of the limited partnership in the State and, if the limited partnership is one formed under the laws of any other jurisdiction, the name of the jurisdiction and the location of the principal place of business of the partnership;

(e) The fact that none of the partners is either a minor or an incompetent person.

Each annual statement shall be certified as correct by any general partner."

SECTION 3. A new section is hereby added to chapter 186, part II, to read as follows:

**"Sec. 186-50. Personal liability and penalty.** (a) Every general partner who neglects or fails to comply with any provision of this part shall be liable severally and individually for all debts and liabilities of the limited partnership, and may be severally sued therefor, without the necessity of joining the other members in any action or suit, and shall also severally forfeit to the State \$25 for each and every month while the default shall continue, to be recovered by action brought in the name of the State by the director of regulatory agencies; provided that as to the forfeiture penalty, the director may, for good cause shown, reduce or waive the same.

(b) Any person who signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, knowing the same to be false in any material particular, shall be fined not more than \$5,000.

(c) Any person who negligently but without intent to defraud signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, which statement or certificate is false in any material particular, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$500."

SECTION 4. A new section is hereby added to chapter 186, part II, to read as follows:

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**“Sec. 186-51. Cancellation of registration.** If any limited partnership fails or neglects for a period of two years to file any annual statement as required by this part, the director may cancel the certificate of such limited partnership. The cancellation of such certificate shall not relieve the general partners of liability for the penalties for the failure to file any statement of certificate required by this part.”

SECTION 5. A new part III shall be added to chapter 186, to read as follows:

### **“PART III. FOREIGN LIMITED PARTNERSHIPS**

**Sec. 186-60. Registration and annual statements.** Every limited partnership formed under the laws of any other territory, possession or state of the United States or of any foreign state or country which undertakes to do or carry on business in the State, shall file in the office of the director of regulatory agencies a registration statement within 30 days after it commences to do business in the State. An annual statement shall be filed on or before March 31 of each year as of December 31 of the preceding year. Every such registration statement shall contain the following information:

- (a) The name of the limited partnership;
- (b) The name and residence of each partner, whether general or limited;
- (c) The nature of the limited partnership business;
- (d) The location of the principal place of business of the limited partnership in the State and the name of the jurisdiction where the limited partnership was formed and the location of the principal place of business of the limited partnership;
- (e) The date the limited partnership was formed and the date the limited partnership commenced business in the State;
- (f) The fact that none of the partners is either a minor or an incompetent person;
- (g) The designation of a person residing within the State as agent for service of process and notice;
- (h) An attached certified copy of the certificate of limited partnership and a certificate of good standing, certified to in each case by the secretary of State or other appropriate official of the state in which the limited partnership was formed.

Every such annual statement shall contain the information specified in subparagraphs (a), (b), (c), (d), and (f) above. The registration statement shall be acknowledged by at least one general partner, and the annual statement shall be certified as correct by any general partner.

**Sec. 186-61. Registration not acceptable, when.** No registration for a limited partnership shall be accepted by the director if the name of such limited partnership is the same as the name of any corporation or partnership, whether general or limited, domestic or foreign, previously authorized or qualified to do business under the laws of the State, or with any trade name previously registered under the laws of the State, or so nearly similar thereto as to lead to confusion and uncertainty.

**Sec. 186-62. Powers and liabilities.** Every foreign limited partnership on complying with the provisions of section 186-60 and paying to the director a fee of \$50 shall have the same powers and privileges and be subject to the same disabilities as are by law conferred on limited partnerships constituted under the laws of the State; provided, that the purposes for which the limited partnership is constituted are not repugnant to or in conflict with any law of the State.

**Sec. 186-63. Withdrawal procedure; notice to creditors, taxes; service of process on.** Any foreign limited partnership which has qualified to transact business in this State may withdraw and surrender its right to engage in business within the State by securing from the director of regulatory agencies a certificate of withdrawal, in the manner hereinafter provided. Any such limited partnership shall file in the office of the director:

(a) A certificate executed and acknowledged by at least one general partner setting forth: (1) that it surrenders its authority to transact intrastate business in this State, (2) that it irrevocably consents that process against it in any action or suit upon any liability or obligation incurred within this State prior to the issuance of the certificate of withdrawal may be served upon the director of regulatory agencies and that service of such process upon the director shall be deemed sufficient service upon it, (3) a post office address to which the director may mail a copy of any process against such limited partnership that may be so served upon him, and (4) a list of the names and resident addresses of all general partners.

(b) Satisfactory proof showing that, within sixty days last past, it has advertised in a daily newspaper of general circulation in the State, once in each of four successive weeks (four publications), a notice in English to all creditors of the limited partnership that it intends to apply, within sixty days from the first publication of the notice, to the director of regulatory agencies for a certificate of withdrawal and intends to withdraw from and surrender its right to engage in business within this State and notifying all creditors of the limited partnership to present their claims;

(c) Satisfactory proof that not less than fifteen days have elapsed since the last publication of the notice;

(d) Satisfactory proof showing that all creditors of the limited partnership, resident or located within the State, have been paid; and

(e) A valid certificate or certificates showing that all of the taxes, imposts, license fees and assessments theretofore levied upon, due or payable by the limited partnership to the State or any of its municipal subdivisions have been fully paid and discharged.

Upon the filing with and the approval by the director of the aforesaid certificate and proofs and after payment of a fee of \$3 for such certificate, the director shall issue to such limited partnership a certificate stating that it has withdrawn and surrendered its right to engage in business within this State. No such limited partnership may withdraw from this State without complying with the aforesaid conditions and until such compliance service of legal notices and processes may be made on any agent of the limited partnership within the

## **ACT 241**

State, or if none can be found, service of such notices and processes upon the director of regulatory agencies shall be deemed sufficient service of such notices and processes upon it.

**Sec. 186-64. Cancellation of registration.** If any limited partnership fails or neglects for a period of two years to file any annual statement as required by this part, the director may cancel the registration of such partnership. The cancellation of such registration shall not relieve the general partners of liability for the penalty for failure to file any statement or certificate required by this part.

**Sec. 186-65. Personal liability and penalty.** (a) If any general partner neglects or fails to comply with any provision of this part, all general partners shall be liable jointly and severally for all debts and liabilities of the limited partnership, and may be severally sued therefor without the necessity of joining the other members in any action or suit, and shall also severally forfeit to the State \$25 for each and every month while a default shall continue, to be recovered by action brought in the name of the State by the director of regulatory agencies; provided that as to the forfeiture penalty, the director may, for good cause shown, reduce or waive the same.

(b) Any person who signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, knowing the same to be false in any material particular, shall be fined not more than \$5,000.

(c) Any person who negligently but without intent to defraud signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, which statement or certificate is false in any material particular, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$500.

**Sec. 186-66. Filing changes in registration or annual statements.**

Whenever any change occurs in any of the facts set forth in any registration statement or annual statement filed under section 186-60, or any amendment to the certificate of limited partnership, a verified statement setting forth such change or a certified copy of the amendment to the certificate of limited partnership shall be filed with the director of regulatory agencies."

**SECTION 6.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 241**

H. B. NO. 1041

A Bill for an Act Relating to Medicine and Surgery and Amending Chapter 453, Hawaii Revised Statutes.

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

**SECTION 1.** Chapter 453, Hawaii Revised Statutes is amended by adding thereto a new section to be appropriately numbered and to read as follows:

**"Section 453- . Foreign License.** The board of medical examiners

may, in its discretion, report favorably and require the issuance of a license without examination, to a practitioner who is currently licensed in any country, state, territory, or province, upon the following conditions:

(1) That the applicant is of good moral character;

(2) That the applicant shall designate in his application that he desires to practice hyperbaric medicine only in connection with medical research and possible complications arising therefrom;

(3) That the requirements for a license in the country, state, territory or province in which the applicant is licensed, are deemed by the board of medical examiners to be essentially equivalent to the requirements for a license in force in the State at the date of the license;

(4) That the applicant is an internationally recognized physician engaged in hyperbaric research and has been so engaged for at least three years prior to the date of his application.

The fee for such licenses shall be \$50, shall be paid to the board at the time of application, and shall not be refundable in the event the application is not approved. Annual re-registration shall be required in accordance with Section 453-6.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 242**

H. B. NO. 1221

**A Bill for an Act Relating to the Regulation of Pre-Need Sales of Funeral Services and Commodities, the Regulation of the Proceeds from Such Sale and the Licensing of Such Salesmen.**

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

**SECTION 1.** Section 44-1\*, Hawaii Revised Statutes, is amended in the following respects:

(a) By amending the definition of "cemetery authority" to read as follows:

" 'Cemetery Authority' means any person who undertakes to establish, maintain, manage, operate, improve, or conduct a cemetery, the interring of human remains, or the care, preservation, and embellishment of cemetery property, or to sell pre-need interment service, whether or not the person undertakes such activity for profit."

(b) By amending the definition of "cemetery salesman" to read as follows:

" 'Cemetery salesman' means any natural person who sells or offers to sell, buys or offers to buy, leases or offers to lease, lists, or solicits prospective purchasers or negotiates the purchase, sale, lease, or exchange of cemetery property, interment services, or pre-need interment services, of any interest therein.

(c) By adding four new paragraphs to read as follows:

" 'Pre-need funeral authority' means any person engaged in the solicita-

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tion of the public in the business of selling pre-need funeral services.

“‘Pre-need funeral salesman’ means any natural person who sells or offers to sell, solicits prospective purchasers, or negotiates the sale or exchange of pre-need funeral services.

“‘Pre-need interment services’ means the furnishing of opening and closing services and related commodities, including but not limited to vaults, markers and vases, which services are to be rendered more than ninety days after the sale or offer to sell, whichever occurs first.

“‘Pre-need funeral services’ means the furnishing of funeral services and related commodities, including but not limited to caskets and urns, which services are to be rendered more than ninety days after the sale or offer to sell, whichever occurs first.”

**SECTION 2.** Section 441-19, Hawaii Revised Statutes, is amended in the following respects:

(a) Item (1) is amended to read as follows:

“Grant licenses to cemetery and pre-need funeral authorities pursuant to this chapter;”

(b) Item (2) is amended to read as follows:

“Grant licenses to cemetery and pre-need funeral salesmen pursuant to this chapter;”

(c) Item (4) is amended to read as follows:

“Make, amend, or repeal such rules and regulations as it deems proper to fully effectuate this chapter and carry out the purpose thereof, which purpose is the protection of the general public in its acquisitions of cemetery property, pre-need interment services and pre-need funeral services. The rules and regulations may forbid acts or practices deemed by the board to be detrimental to the accomplishment of the purpose of this chapter, and the rules and regulations may require cemetery and pre-need funeral authorities and salesmen to make reports to the board containing such information as will better enable the board to enforce this chapter and the rules and regulations, or as will better enable the board from time to time to amend the rules and regulations to more fully effectuate the purpose of this chapter, and further, the rules and regulations may require cemetery and pre-need funeral authorities and salesmen to furnish reports to their clients containing such matters of information as the board deems necessary to promote the purpose of this chapter; provided, that this enumeration of specific matters which may properly be made the subject of rules and regulations shall not be construed to limit the board’s broad general power to make all rules and regulations necessary to fully effectuate the purpose of this chapter;”

**SECTION 3.** Section 441-20, Hawaii Revised Statutes, is amended to read as follows:

**“License required to act as cemetery or pre-need funeral authority.**

No person shall act as a cemetery or pre-need funeral authority without a license previously issued by the cemetery board in compliance with this chapter and the rules and regulations of the board; provided, that the board shall ex-

empt any cemetery authority upon its proof satisfactory to the board that it will not make any additional interments."

SECTION 4. Section 441-21, Hawaii Revised Statutes, is amended in the following respects:

(a) By amending the first paragraph down to the colon to read as follows:

**"No cemetery or pre-need funeral authority license issued when.** No cemetery or pre-need funeral authority license shall be issued:"

(b) By amending item (3) to read as follows:

"To any person unless it is a religious institution, corporation, county, or any association which has a perpetual existence; provided, that the board may issue a cemetery authority license to any person who is in bona fide operation as a cemetery authority on June 4, 1967; provided further, that a pre-need funeral authority license may be issued to any person who is in bona fide operation as a pre-need funeral authority on the effective date of this Act;"

SECTION 5. Section 441-22, Hawaii Revised Statutes, is amended to read as follows:

**"Bond.** Each cemetery or pre-need funeral authority licensed hereunder, except as otherwise provided in section 441- (Section 171B-22.5, Revised Laws of Hawaii 1955, as amended), shall file and maintain with the cemetery board a bond in the penal sum of \$50,000, issued by a surety company authorized to do business in the State, and running to the State. The bond shall be conditioned that the cemetery or pre-need funeral authority will faithfully, promptly, and truly account and pay over to all persons to or for whom it may sell, lease, or otherwise deal in cemetery property, pre-need interment or pre-need funeral services all sums of money that may properly be due them. In addition to any other remedy, every person sustaining any damage resulting from a breach of the conditions of the bond may sue the surety for the recovery of any damages sustained by such person. The liability of the surety shall not exceed \$50,000 for each licensee. The bond shall be continuous in form and remain in full force and effect and shall run concurrently with the license period and for any renewals thereof, unless terminated or cancelled by the surety. Termination or cancellation shall not be effective, unless notice thereof is delivered by the surety to the board at least sixty days prior to the date of termination or cancellation. The board shall forthwith give notice thereof to the cemetery or pre-need funeral authority affected by the termination or cancellation, which notice shall be by registered or certified mail, with request for return receipt, and shall be addressed, to the licensees at the addresses shown on the records of the board. The license of any licensee shall be suspended upon termination or cancellation of the bond, unless prior thereto, a new bond has been filed with the board. The form of the bond shall be approved by the board."

SECTION 6. Section 441-23, Hawaii Revised Statutes, is amended in the following respects:

(a) The first paragraph down to the colon is amended to read as follows:

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· “**Revocation, suspension, and renewal of authority licenses.** The cemetery board may revoke any authority license, or suspend the right of the licensee to use the license, or refuse to renew any such license for any of the following causes:”

(b) Item (2) is amended to read as follows:

“Any dishonest or fraudulent act as a cemetery or pre-need funeral authority which causes substantial damage to another;”

(c) Item (7) is amended to read as follows:

“Selling or offering to sell any cemetery property, pre-need interment or pre-need funeral services based on speculation or promises of profit from resale.”

SECTION 7. Section 441-24, Hawaii Revised Statutes, is amended to read as follows:

“**Inspection of cemetery or pre-need funeral authority books; annual exhibits.** The books, records, and papers of every cemetery authority whether or not a corporation, which operates or claims to operate a perpetual care cemetery, and of every pre-need funeral authority shall be subject to examination by the cemetery board to the same extent and in the same manner as may be from time to time provided for corporations in section 416-95, and every cemetery authority operating a perpetual care cemetery, and every pre-need funeral authority shall submit such annual exhibits as may be required by the board in order to furnish information as to whether or not the cemetery or pre-need funeral authority has complied with this chapter.”

SECTION 8. Section 441-25, Hawaii Revised Statutes, is amended in the following respects:

(a) The first paragraph down to the colon is amended to read as follows:

“**License required to act as cemetery or pre-need funeral salesman.**

No person shall sell, offer to sell, exchange, lease, advertise, or otherwise dispose of any interest in cemetery property, pre-need interment, or pre-need funeral services without an appropriate license previously issued by the cemetery board in compliance with this chapter and the rules and regulations of the board, provided that this requirement shall not apply to:”

(b) Item (2) is amended to read as follows:

“The regular officers of a cemetery or pre-need funeral authority acting with reference to the authority’s property;”

SECTION 9. Section 441-26, Hawaii Revised Statutes, is amended by amending the first paragraph down to the colon to read as follows:

“**No cemetery or pre-need funeral salesman license issued when.** No cemetery or pre-need funeral salesman license shall be issued:”

SECTION 10. Section 441-27, Hawaii Revised Statutes, is amended by amending the second sentence to read as follows:

“The bond shall be conditioned that the salesman will faithfully, promptly, and truly account and pay over to all persons to or for whom he may sell, lease or otherwise deal in cemetery property, pre-need interment or pre-

need funeral services all sums of money that may properly be due them."

SECTION 11. Section 441-28, Hawaii Revised Statutes, is amended in the following respects:

(a) By amending the first paragraph down to the colon to read as follows:

**"Revocation, suspension and renewal of salesman licenses.** The cemetery board may revoke any salesman license, or suspend the right to the licensee to use the license, or refuse to renew the license, for any of the following causes:"

(b) By amending Item (2) to read as follows:

"Making any misrepresentation concerning any cemetery property, pre-need interment or pre-need funeral services transaction;"

(c) By amending Item (3) to read as follows:

"Making any false promises concerning any cemetery property, pre-need interment or pre-need funeral services transaction of a character likely to mislead another;"

(d) By amending Item (5) to read as follows:

"When a salesman acts or attempts to act or represents, or attempts to represent an authority other than his employer;"

(e) By amending Item (8) to read as follows:

"When a salesman fails to file with the board a written statement setting forth the name of the authority by whom he is employed;"

(f) By amending Item (12) to read as follows:

"When a salesman sells or offers to sell any cemetery property, pre-need interment or pre-need funeral services based on speculation or promises of profit from resale."

SECTION 12. Section 441-31, Hawaii Revised Statutes, as amended, is amended in the following respects:

(a) By amending subsection (a) to read as follows:

"(a) The fee for a cemetery or pre-need funeral authority license, annual renewal thereof, and reinstatement of a suspended license, except as otherwise provided in Section 441- (Section 171B-22.5, Revised Laws of Hawaii 1955, as amended) shall be \$200.

"The annual renewal fee shall be paid to the cemetery board on or before January 1 of each year. Failure, neglect, or refusal of any duly licensed cemetery or pre-need funeral authority to pay the annual renewal fee shall constitute a forfeiture of his license. Any such license may be restored upon written application therefor within one year of such date and the payment of a required fee plus an amount equal to ten per cent thereof."

(b) By amending subsection (b) to read as follows:

"(b) The fee for a cemetery or pre-need funeral salesman license shall be \$25. The annual renewal fee shall be \$15, and the fee for reinstatement of a suspended license shall be \$15.

"The annual renewal fee shall be paid to the board on or before January 1 of each year. Failure, neglect, or refusal of any duly licensed salesman to pay the annual renewal fee shall constitute a forfeiture of his license. The license of

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the salesman may be restored upon written application therefor and the payment to the board of \$25."

(c) By amending subsection (c) to read as follows:

"A fee of \$5 shall be charged for the reissuance of any lost license or for the reissuance of license when there has been a change in the licensee's name or when a salesman is employed by a different authority."

**SECTION 13.** Section 441-32, Hawaii Revised Statutes, is amended to read as follows:

**"Delivery of agreement.** When a salesman secures the signature of any party or parties to any contract pertaining to cemetery property, pre-need interment or pre-need funeral services, he shall deliver a copy of such agreement or contract to the party or parties signing it, at the time the signature is obtained; provided that only one copy need be delivered to the parties signing as co-tenants. The agreement or contract shall reasonably describe in detail the property or services to be provided."

**SECTION 14.** Section 441-33, Hawaii Revised Statutes, is amended to read as follows:

**"Authority prohibited from employing unlicensed salesman.** No cemetery or pre-need funeral authority shall employ as a salesman, either directly or indirectly, whether as employee, agent, representative, independent contractor, or otherwise, any person who does not hold an appropriate license."

**SECTION 15.** Chapter 441, Hawaii Revised Statutes, is amended by adding a new section to be appropriately numbered and to read as follows:

**"Section 441- . Pre-need trusts required.** Every cemetery or pre-need funeral authority shall maintain one or more trusts. All payments received after the recovery of acquisition costs, which shall be the lesser of thirty per cent of the contract price or the difference between the contract price and the cost of the pre-need interment or pre-need funeral services contracted to be provided, shall be deposited in such trusts within thirty days of receipt.

"The administration of the trusts provided for in this section shall be as provided for perpetual care funds under sections 441-37, 441-40, 441-41, 441-42, 441-43 and 441-44.

"The principal amount deposited shall not be diminished or withdrawn except in payment of the pre-need interment or pre-need funeral services contracted for and provided to the deceased purchaser or his designee or for the contractual refund to the purchaser."

**SECTION 16.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 243**

S. B. NO. 149

A Bill for an Act Relating to State Harbors and Amending Part I, Chapter 112,

Revised Laws of Hawaii 1955, as Amended.

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

SECTION 1. Part I of chapter 112, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding a new section to be appropriately numbered and to read as follows:

**"Section 112- . Arrest or citation.** Except when required by State law to take immediately before a magistrate a person arrested for a violation of any provision of this part, including any rule or regulation adopted and promulgated pursuant to this part, any person authorized to enforce the provisions of this part, hereinafter referred to as enforcement officer, upon arresting a person for violation of any provision of this part, including any rule or regulation adopted and promulgated pursuant to this part shall, in the discretion of the enforcement officer, either (1) issue to the purported violator a summons or citation, printed in the form hereinafter described, warning him to appear and answer to the charge against him at a certain place and at a time within seven (7) days after such arrest, or (2) take him without unnecessary delay before a magistrate.

Said summons or citation shall be printed in a form comparable to the form of other summonses and citations used for arresting offenders and shall be designed to provide for inclusion of all necessary information. The form and content of such summons or citation shall be adopted or prescribed by the district courts.

The original of a summons or citation shall be given to the purported violator and the other copy or copies distributed in the manner prescribed by the district courts; provided that, the district courts may prescribe alternative methods of distribution for the original and any other copies.

Summons and citations shall be consecutively numbered and the carbon copy or copies of each shall bear the same number.

Any person who fails to appear at the place and within the time specified in the summons or citation issued to him by the enforcement officer, upon his arrest for violation of any provision of this part, including any rule or regulation promulgated pursuant to this part, shall be guilty of a misdemeanor and, on conviction, shall be fined not more than \$1,000, or be imprisoned not more than six months, or both.

In the event any person fails to comply with a summons or citation issued to such person, or if any person fails or refuses to deposit bail as required, the enforcement officer shall cause a complaint to be entered against such person and secure the issuance of a warrant for his arrest."

SECTION 2. If any section, provision or clause of this Act shall be declared invalid or inapplicable to any person or circumstance, such invalidity or inapplicability shall not be construed to affect the portions not so declared, or apply to persons or circumstances not so affected. All laws or portions of laws inconsistent with the policy and provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 3. Notwithstanding the adoption of Act 16, Session Laws of

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Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 244**

S. B. NO. 768

A Bill for an Act Relating to Labor and Industrial Relations Appeals Board and Making Appropriation Therefor.

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

**SECTION 1.** Chapter 371, Hawaii Revised Statutes is amended as follows:

a. Section 371-4 is amended to read:

**"Section 371-4. Labor and Industrial Relations Appeals Board.** (a) There is hereby created a labor and industrial relations appeals board composed of three members nominated and, by and with the advice and consent of the senate, appointed by the governor for terms of ten years each, except that the terms of members first appointed shall be for six, eight and ten years respectively as designated by the governor at the time of appointments. The governor shall designate the chairman of the board who shall be an attorney at law licensed to practice in all of the courts of this State. Each member shall hold office until his successor is appointed and qualified. Because cumulative experience and continuity in office are essential to the proper handling of appeals under workmen's compensation law and other labor laws, it is hereby declared to be in the public interest to continue board members in office as long as efficiency is demonstrated. The members shall devote full time to their duties as members of the board. The chairman of the board shall be paid a salary at the rate of ninety-five per cent of the salary of a circuit court judge. Each of the other members shall be paid a salary at the rate of ninety per cent of the chairman's salary.

(b) The board shall have power to decide appeals from decisions and orders of the director of labor and industrial relations issued under the workmen's compensation law and any other law for which an appeal to the board is provided by law.

(c) A decision concurred in by any two members shall constitute a decision of the board.

(d) A vacancy in the board, if there remain two members of it, shall not impair the authority of two members to act.

(e) If any member of the board is unable to act because of absence, temporary disability, or disqualification, the governor may make a temporary appointment and the appointee shall have all the powers and duties of a regular member of the board.

(f) The chairman of the board shall employ employees as may be required to carry out the board's duties, shall assign the work of the board to the members thereof and its employees and shall serve as administrative officer of the board.

(g) The board shall be within the department of labor and industrial relations for budgetary and administrative purposes only.

(h) The board may adopt rules and regulations within its area of responsibilities in accordance with chapter 91."

b. Section 371-5 is repealed.

SECTION 2. Chapter 386, Hawaii Revised Statutes is amended as follows:

a. The definition of "appellate board" in section 386-1 is amended to read:

" 'Appellate Board' means the labor and industrial relations appeals board."

b. The last sentence in section 386-73 is amended to read:

"There shall be a right of appeal from the decisions of the director to the appellate board and thence to the supreme court as provided in sections 386-87 and 386-88, but in no case shall an appeal operate as a supersedeas or stay unless the appellate board or the supreme court so orders."

c. Sections 386-74, 386-75, 386-76 and 386-77 are repealed.

d. Section 386-87 is amended to read:

**"Section 386-87. Appeals to appellate board.** (a) A decision of the director shall be final and conclusive between the parties, except as provided in section 386-89, unless within thirty days after a copy has been sent to each party, either party appeals therefrom to the appellate board by filing a written notice of appeal with the appellate board or the department. In all cases of appeal filed with the department the appellate board shall be notified of the pendency thereof by the director. No compromise shall be effected in the appeal except in compliance with section 386-78.

(b) The appellate board shall hold a full hearing de novo on the appeal.

(c) The appellate board shall have power to review the findings of fact, conclusions of law and exercise of discretion by the director in hearing, determining or otherwise handling of any compensation case and may affirm, reverse or modify any compensation case upon review, or remand the case to the director for further proceedings and action.

(d) In the absence of an appeal and within thirty days after mailing of a certified copy of the appellate board's decision or order, the appellate board may, upon the application of the director or any other party, or upon its own motion, reopen the matter and thereupon may take further evidence or may modify its findings, conclusions or decisions. The time to initiate judicial review shall run from the date of mailing of the further decision if the matter has been

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reopened. If the application for reopening is denied, the time to initiate judicial review shall run from the date of mailing of the denial decision."

e. Section 386-88 is amended to read:

**"Section 386-88. Judicial Review.** The decision or order of the appellate board shall be final and conclusive, except as provided in section 386-89, unless within thirty days after mailing of a certified copy of the decision or order, the director or any other party appeals to the supreme court by filing a written notice of appeal with the appellate board. The appeal shall be on the record and the court shall review the appellate board's decision on matters of law only. No new evidence shall be introduced in the supreme court, except that the court may, if evidence is offered which is clearly newly discovered evidence and material to the just decision of the appeal, admit the same."

f. Section 386-90 is amended to read:

**"Section 386-90. Conforming prior decisions on appeal.** Upon the filing of a certified copy of a decision of the director rendered pursuant to section 386-89 with the appellate board, the board shall revoke or modify its prior decision so that it will conform to the decision of the director."

g. Section 386-93(b) is amended to read:

"(b) If an employer appeals a decision of the director or appellate board, the costs of the proceedings of the appellate board or the supreme court of the State, together with reasonable attorney's fees shall be assessed against the employer, if the employer loses; provided that if an employer or an insurance carrier, other than the employer who appealed, is held liable for compensation, the costs of the proceedings of the appellate board or the supreme court of the State together with reasonable attorney's fees shall be assessed against the party held liable for the compensation."

**SECTION 3.** Section 373-17, Hawaii Revised Statutes is amended to read:

**"Section 373-17. Appeals from the appeal board.** Any person aggrieved by the decision of the appeal board may appeal therefrom as provided in section 91-14."

**SECTION 4.** Section 375-12(c), Hawaii Revised Statutes is amended to read:

"(c) Appeals from the appeal board. Any person aggrieved by the decision of the appeal board may appeal therefrom as provided in section 91-14."

**SECTION 5.** All laws and parts of laws heretofore enacted which are in conflict with this Act are hereby amended to conform herewith. All acts passed during this session 1969, whether enacted before or after the passage of this Act, shall be amended to conform to this Act, unless the acts specifically provide that this Act is being amended. The terms of the current members of the labor and industrial relations appeal board and the industrial accident boards of the counties of Hawaii, Maui and Kauai shall expire on the effective date of this Act.

**SECTION 6.** Appropriation. The sum of \$140,000, or so much thereof as

may be necessary, is appropriated out of the general revenues of the State of Hawaii to be used for the fiscal period beginning July 1, 1969 and ending June 30, 1970 for the purpose of carrying out this Act. The department of labor and industrial relations shall include in its budget in succeeding fiscal years sums as may be necessary to carry out this Act.

**SECTION 7.** This Act shall take effect on July 1, 1969.

(Approved July 14, 1969.)

**ACT 245**

S. B. NO. 872

A Bill for an Act Relating to Temporary License to Practice Dentistry.

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

**SECTION 1.** Section 448-12 of the Hawaii Revised Statutes is amended by adding a new paragraph to read as follows:

"The board of dental examiners may issue without examination to any resident or nonresident licensed in another state and otherwise qualified to be examined a temporary license to practice dentistry while in the employment of the department of health to provide dental services to Hansen's disease patients. The temporary license shall be valid for a period of three years or until the first board examination after the conclusion of the three-year period and only while the person to whom the temporary license is issued is in the employment of the department of health and works under the general direction and supervision of a duly licensed dentist. The temporary license shall not be renewed and shall be reviewed annually by the board of dental examiners for continuance and shall be subject to revocation and suspension as provided in section 448-17. The temporary licensee shall not be eligible for examination by the board of dental examiners while the temporary license is in effect."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 246**

S. B. NO. 916

A Bill for an Act Relating to Removal of Motor Vehicles and Amending Section 286-57, Hawaii Revised Statutes.

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

**SECTION 1.** Section 286-57, Hawaii Revised Statutes, is amended to read as follows:

**"Sec. 286-57. Unlawful removal of motor vehicles from state.** It shall be unlawful for any person to remove, attempt to remove, cause to be removed, or assist in so doing, any motor vehicle registered pursuant to this part from the State to any other place away from the State, unless he is the legal owner thereof or unless the written authorization of the legal owner thereof to the re-

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moval has first been obtained.

No person owning or having control of any vessel, airplane, or other means of transportation, and no agent or employee of such person, shall transport any such vehicle from the State to any other place away from the State, or accept the same for the transportation, or deliver any bill of lading, order, or other written instrument authorizing the transportation, unless the person requesting the transportation (1) produces a certificate of ownership and a current certificate of registration showing that he is the legal owner of the vehicle or (2) produces, if he is not the legal owner thereof, a current certificate of registration showing that he is the registered owner of the vehicle and, in addition thereto, the written consent of the legal owner thereof to the transportation."

**SECTION 2.** Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

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

(Approved July 14, 1969.)

## **ACT 247**

S. B. NO. 1021

A Bill for an Act Relating to General Partnerships.

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

**SECTION 1.** Part I of chapter 186, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

### **"PART I. GENERAL PARTNERSHIPS**

**Sec. 186-1. Registration and annual statements.** Whenever any general partnership is formed under the laws of the State to do business in the State, or any general partnership formed under the laws of any other jurisdiction shall do business in the State, such partnership shall file in the office of the director of regulatory agencies the registration and annual statements hereinafter provided. A registration statement shall be filed by a partnership formed under the laws of any other jurisdiction within thirty days after the commencement of business in the State. An annual statement shall be filed on or before March 31 of each year, as of December 31 of the preceding year. Every such registration statement shall contain the following information:

(a) The name of the partnership;

(b) The name and residence of each partner;

(c) The nature of the partnership business;

(d) The location of the principal place of business of the partnership in the State and, if the partnership is one formed under the laws of any other jurisdiction, the name of the jurisdiction and the location of the principal place of business of the partnership;

(e) The date the partnership was formed and, if the partnership is one formed under the laws of any other jurisdiction, the date the partnership com-

\* Edited accordingly

menced business in the state;

(f) The fact that none of the partners is either a minor or an incompetent person;

(g) In the case of a foreign general partnership, the designation of a person residing within the State as agent for service of process and notice.

Every such annual statement shall contain the information specified in subparagraphs (a), (b), (c), (d), (f) and (g) above.

The registration statement of a domestic partnership shall be acknowledged by each partner, and the registration statement of a foreign partnership shall be acknowledged by at least one partner. Each annual statement shall be certified as correct by any partner.

**Sec. 186-1.1. Forms to be furnished by director; acknowledgments.**

The registration, annual and other statements required by this part shall be filed on forms to be furnished by the director of regulatory agencies. Statements required to be acknowledged shall be acknowledged before a notary public or other officers in a manner provided by law for acknowledgment of deeds.

**Sec. 186-1.2. Foreign partnerships, powers and liabilities.** A partnership formed under the laws of any other jurisdiction, shall, on filing a registration statement as required by section 186-1 and subject to continuing compliance with the other provisions of this part, have the same powers and privileges, and be subject to the same disabilities as are by law conferred upon partnerships formed under the laws of the State, provided always that the purposes for which the partnership is formed are not repugnant to or in conflict with any law of the State.

**Sec. 186-1.3. Partnership between husband and wife; prima facie proof.** If any business tax return is filed by, or license to do business is issued in the names of, both husband and wife, such tax return or license shall constitute prima facie proof, insofar as the State or any of its political subdivisions is concerned, that a partnership in such business exists between husband and wife in respect of such business. If the business tax return is filed by, or license is issued in the name of, one of them only, it shall constitute like proof that the husband and wife are not partners in respect of such business.

**Sec. 186-1.4. Minors and incompetent persons.** A minor or incompetent person may not be a partner, but may have a beneficial interest in a partnership through a trustee or duly appointed guardian.

This section shall not apply to the current partners in any duly registered partnership now doing business in the State.

**Sec. 186-2. Partnership name.** No partnership shall take or use a name which is identical with any name registered in the office of the director of regulatory agencies under the provisions of any statute, or which is so nearly similar to any such name as to lead to confusion or uncertainty. No statement or certificate of any partnership showing a name in violation of the provisions hereof shall be recorded by the director.

**Sec. 186-3. Partnership name; change of.** Whenever any partnership shall change its partnership name, it shall within thirty days thereafter file in the office of the director of regulatory agencies a statement showing: (a) the registered name of the partnership; and (b) the new name of the partnership. The statement shall be signed and certified as correct by any partner.

**Sec. 186-4. Admission, withdrawal or death of a partner.** Whenever a new partner is admitted to a general domestic partnership, or a partner withdraws from a general domestic partnership, or whenever any partner dies, a statement of such admission, withdrawal or death shall be filed in the office of the director of regulatory agencies, within thirty days after such addition, withdrawal or death. Such statement shall be acknowledged by each partner added or withdrawn, except as hereinafter provided, and by all other remaining partners. If a partner withdraws and cannot be located, the statement shall set forth those facts and need not be signed or acknowledged by such partner.

**Sec. 186-4.1. Statement of dissolution.** Whenever a domestic general partnership is dissolved, a statement thereof showing the cause of dissolution shall be filed in the office of the director of regulatory agencies within thirty days after dissolution. The statement shall be acknowledged by all partners except in such cases as the circumstances make it obviously impossible to secure the signature of one or more partners, which circumstances shall be set forth in the statement.

**Sec. 186-5. Taxes, etc., a prior lien on partnership property on dissolution.** Upon dissolution of a general partnership, any lawful taxes, imposts, license fees or assessments for which the partnership, or any partner in respect thereof, is liable shall constitute a prior lien upon the assets of the partnership but not as against the interest of those creditors who have prior recorded liens.

**Sec. 186-6. Record of statements.** The director of regulatory agencies shall cause books or files to be kept in his office, in which shall be recorded the several particulars required by this part to be filed in his office; and such books or files shall be open to public inspection.

**Sec. 186-7. Fee for recording.** For each name recorded as aforesaid or for each annual statement filed as required, there shall be paid to the director of regulatory agencies a fee of \$1.

**Sec. 186-8. Personal liability and penalty.** (a) If a partner neglects or fails to comply with any provision of this part, all partners shall be liable jointly and severally for all the debts and liabilities of the partnership, and may be severally sued therefor, without the necessity of joining the other partners in any action or suit, and shall also severally forfeit to the State \$25 for each and every month while the default shall continue, to be recovered by action brought in the name of the State by the director of regulatory agencies; provided, that as to the forfeiture penalty, the director may, for good cause shown, reduce or waive the same.

(b) Any person who signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, knowing the same to be

false in any material particular, shall be fined not more than \$5,000.

(c) Any person who negligently but without intent to defraud signs and acknowledges or certifies as correct any statement or certificate filed pursuant to this part, which statement or certificate is false in any material particular, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$500.

**Sec. 186-9. Cancellation of registration.** If any general partnership fails or neglects for a period of two years to file any annual statement as required by this part, the director of regulatory agencies may cancel the registration or the certificate, as the case may be, of such partnership. The cancellation of such registration or certificate shall not relieve the partners of liability for the penalties for the failure to file any statement or certificates required by this part.

**Sec. 186-10. Not applicable to corporations.** Nothing in this part contained shall apply to corporations or incorporated companies.

**Sec. 186-11. Fees, government realizations.** All fees received by virtue of this part shall be accounted for as part of the revenue of the Territory.

**Sec. 186-12. Withdrawal procedure for foreign general partnership.** Any foreign general partnership which has qualified to transact business in this State may withdraw and surrender its right to engage in business within this State by securing from the director of regulatory agencies a certificate of withdrawal in the manner hereinafter provided. Any such general partnership shall file in the office of the director:

(a) A certificate executed and acknowledged by at least one partner setting forth: (1) that it surrenders its authority to transact intrastate business in this State, (2) that it irrevocably consents that process against it in any action or suit upon any liability or obligation incurred within this State prior to the issuance of the certificate of withdrawal may be served upon the director of regulatory agencies and that service of such process upon the director shall be deemed sufficient service upon it, (3) a post office address to which the director may mail a copy of any process against such general partnership that may be so served upon him, and (4) a list of the names and resident addresses of all general partners;

(b) Satisfactory proof showing that, within sixty days last past, it has advertised in a daily newspaper of general circulation in the State, once in each of four successive weeks (four publications), a notice in English to all creditors of the general partnership that it intends to apply, within sixty days from the first publication of the notice, to the director of regulatory agencies for a certificate of withdrawal and intends to withdraw and surrender its rights to engage in business within this State and notifying all creditors of the general partnership to present their claims;

(c) Satisfactory proof that not less than fifteen days have elapsed since the last publication of the notice;

(d) Satisfactory proof showing that all creditors, resident or located within the State, have been paid; and

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(e) A valid certificate or certificates showing that all of the taxes, imposts, license fees and assessments theretofore levied upon, due or payable by the general partnership to the State or any of its municipal subdivisions have been fully paid and discharged.

Upon filing with and the approval by the director of the aforesaid certificate and proofs and after payment of a fee of \$3 for such certificate, the director shall issue to such general partnership a certificate stating that it has withdrawn and surrendered its rights to engage in business within this State. No such general partnership may withdraw from this State without complying with the aforesaid conditions and until such compliance service of legal notices and processes may be made on any agent of the general partnership within the State, or if none can be found, service of such notices and processes upon the director of regulatory agencies shall be deemed sufficient service of such notices and processes upon it."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

## **ACT 248**

H. B. NO. 1039

A Bill for an Act Amending Section 317-58, Revised Laws of Hawaii 1955, as Amended, Relating to Estates of Persons Leaving No Known Heirs.

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

**SECTION 1.** Section 317-58, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

**"Sec. 317-58. Estates of persons leaving no known relatives.** Every coroner, or medical examiner, who is called to investigate the death of any person leaving no known major relatives in the State, shall take immediate charge of such decedent's personal effects and if in the discretion of the coroner the value of such personal effect is in excess of \$100.00, forthwith deliver them to the clerk of the circuit court of the circuit in which such decedent died.

If after ten days no person appears, competent to initiate appropriate administration or probate proceedings, the clerk shall administer the estate pursuant to the provisions of this part; provided, that if such decedent's estate be of a value exceeding \$3,000, the clerk shall notify the judge of such circuit having charge of the probate calendar, and shall petition for the appointment of an appropriate administrator of such estate other than the clerk. In the meantime the clerk may take such steps as may be appropriate to preserve and conserve the real and personal property of the decedent. All expenses in connection with the taking possession, care and conservation of the property and with such proceedings shall be proper charges against the estate of the decedent. The county attorney of each county shall advise, assist and represent as far as necessary any of such officers in the performance of any act or the institution or prosecution of any proceeding required by this section.

If such decedent's estate be of a value not exceeding \$100 and such dece-

dent has no known relatives or whose relatives have failed to indicate any means of disposition of such estate, then the coroner, or medical examiner, having custody of such property shall dispose of such property in an appropriate manner, which may be any one of the following or a combination thereof:

(1) Where the assets belonging to such estates consists only of money and is not in excess of \$100 and expenditures have been made in connection with such death, to reimburse the appropriate city and/or county office which made the disbursement to defray said expenses;

(2) Where the estate consists of cash and/or personal belongings of monetary value, not exceeding \$100, to liquidate said personal belongings and apply the proceeds, together with the cash, if the total does not exceed \$100, in accordance with paragraph 1 hereinabove set forth;

(3) Where the assets in the estate are of no monetary value (unsaleable) and in his best judgment and discretion can be used by some charitable institution, to donate said assets to whatever charitable institution is willing and able to pick up the assets in question;

(4) Where the assets have no value whatsoever or in such condition that, in his best judgment and discretion, a charitable institution cannot use said properties, or will not receive said properties, to destroy the same in any manner he sees fit; and

(5) If under paragraphs 1 and 2, there are assets remaining, then he shall forthwith escheat the same to the state director of finance."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 249**

S. B. NO. 1122

A Bill for an Act Relating to the Department of Defense and Amending Chapter 121, Hawaii Revised Statutes.

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

**SECTION 1.** Section 121-9, Hawaii Revised Statutes, is amended by adding a paragraph to said section to read:

"The adjutant general is authorized to confer the powers of police officers, including the power to arrest, to employees of the department who are engaged as security guards; provided however, that such powers shall remain in force and effect only while said security guards are in the actual performance of their duties as security guards."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 14, 1969.)

**ACT 250**

H. B. NO. 14

A Bill for an Act Relating to the Uniform Act on Status of Convicted Persons.

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

SECTION 1. The Revised Laws of Hawaii 1955 is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER  
UNIFORM ACT ON STATUS OF  
CONVICTED PERSONS”**

**Sec. -1. Definition.** In this chapter, “felony” means an offense that is punishable with imprisonment for life not subject to parole or for a longer period than one year.

**Sec. -2. Rights lost.** (a) A person sentenced for a felony, from the time of his sentence until his final discharge, may not:

(1) Vote in an election, but if execution of sentence is suspended with or without the defendant being placed on probation or he is paroled after commitment to imprisonment, he may vote during the period of the suspension or parole; or

(2) Become a candidate for or hold public office.

(b) A public office held at the time of sentence is forfeited as of the date of the sentence if the sentence is in this State, or, if the sentence is in another state or in a federal court, as of the date a certification of the sentence from the sentencing court is filed in the office of the lieutenant governor who shall receive and file it as a public document. An appeal or other proceeding taken to set aside or otherwise nullify the conviction or sentence does not affect the application of this section, but if the conviction is reversed the defendant shall be restored to any public office forfeited under this chapter from the time of the reversal and shall be entitled to the emoluments thereof from the time of the forfeiture.

**Sec. -3. Rights retained by convicted person.** Except as otherwise provided by this chapter, a person convicted of a crime does not suffer civil death or corruption of blood or sustain loss of civil rights or forfeiture of estate or property, but retains all of his rights, political, personal, civil, and otherwise, including the right to hold public office or employment, to vote, to hold, receive, and transfer property, to enter into contracts, to sue and be sued, and to hold offices of private trust in accordance with law.

**Sec. -4. Savings provisions.** (a) This chapter does not affect the power of a court, otherwise given by law to impose sentence or to suspend imposition or execution of sentence on any conditions, or to impose conditions of probation, or the power of the board of paroles and pardons to impose conditions of parole.

(b) This chapter does not deprive or restrict the authority and powers of officials of a penal institution or other penal facility, otherwise provided by law, for the administration of the institution or facility or for the control of the conduct and conditions of confinement of a convicted person in their custody.

(c) This chapter does not affect the qualifications or disqualifications

otherwise required or imposed by law for a designated office, public or private, or to serve as a juror or to vote or for any designated profession, trust, or position, or for any designated license or privilege conferred by public authority.

(d) This chapter does not affect the rights of others arising out of the conviction or out of the conduct on which the conviction is based and not dependent upon the doctrines of civil death, the loss of civil rights, the forfeiture of estate, or corruption of blood.

(e) This chapter does not affect laws governing rights of inheritance of a murderer from his victim.

**Sec. -5. Certificate of discharge.** (a) If the sentence was in this State, the order, certificate, or other instrument of discharge, given to a person sentenced for a felony upon his discharge after completion of service of his sentence or after service under probation or parole, shall state that the defendant's rights to vote and to hold any future public office, of which he was deprived by this chapter, are thereby restored and that he suffers no other disability by virtue of his conviction and sentence except as otherwise provided by this chapter. A copy of the order or other instrument of discharge shall be filed with the clerk of the court of conviction.

(b) If the sentence was in another state or in a federal court and the convicted person has similarly been discharged by the appropriate authorities, the director of social services of this State, upon application and proof of the discharge in such form as the director of social services may require, shall issue a certificate stating that such rights have been restored to him under the laws of this State.

(c) If another state having an Act similar to this chapter issues its certificate of discharge to a convicted person stating that the defendant's rights have been restored, the rights of which he was deprived in this State under this chapter are restored to him in this State.

**Sec. -6. Uniformity of interpretation.** This chapter shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

**Sec. -7. Short title.** This chapter may be cited as the Uniform Act on Status of Convicted Persons."

SECTION 2. Section 11-8, Revised Laws of Hawaii 1955, is amended by deleting item 11 from the AFFIDAVIT ON APPLICATION FOR REGISTRATION.

SECTION 3. Section 11-18, Revised Laws of Hawaii 1955, is amended by amending the first two sentences to read as follows:

"Whenever the clerk receives from the department of health or any informing agency information of the death, loss of voting rights of a person sentenced for a felony as provided in section -2, adjudication of insanity or feeble-mindedness, loss of citizenship, or any other disqualification to vote, of any person registered to vote in his county, or who he has reason to believe may be registered to vote therein, he shall thereupon make such investigation as he may deem necessary to prove or disprove the information, giving the person

## **ACT 251**

concerned, if available, notice and an opportunity to be heard. If after the investigation he finds that the person is dead or non compos mentis, or has lost his voting rights pursuant to section -2, or has lost his citizenship or is disqualified for any other reason to vote, he shall strike the name of the person from the register in the manner provided for in section 11-11."

**SECTION 4.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 5.** This Act shall take effect upon its approval.

(Approved July 15, 1969.)

## **ACT 251**

**H. B. NO. 28**

A Bill for an Act Relating to the Establishment of Manpower Development and Training Programs and Making an Appropriation Therefor.

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

**SECTION 1.** Purpose. The purpose of this Act is to establish manpower development and training programs in the State of Hawaii and to determine the extent to which the manpower needs of the State's economy can be met by increasing trained local labor.

**SECTION 2.** There is established within the department of labor and industrial relations manpower development and training programs for the various industries in the State. The training programs are to be developed to assist those unemployed and underemployed persons who cannot reasonably be expected to obtain suitable full-time employment without the benefit of training. Instruction and training shall be provided by the department of education and the University of Hawaii community college system, and/or other suitable agencies. Where a need is indicated to overcome barriers to possible training, the department of labor and industrial relations, either on its own or in cooperation with the various departments and agencies of the state and county governments and private industry, may arrange for transportation, child care and health facilities.

**SECTION 3.** The department of labor and industrial relations is authorized to enter into contracts for manpower development and training with the department of education and the University of Hawaii community college system.

**SECTION 4.** The State shall pay to each person who is enrolled in a

manpower development and training program a weekly compensation equal to the average weekly benefit amount provided under Chapter 93 of the Revised Laws of Hawaii 1955.

**SECTION 5.** The department of labor and industrial relations is authorized, with the advice of the State Commission on manpower and full employment, to plan and administer manpower development and training programs under this Act. The department shall select and refer trainees, and process the payment of weekly compensation as provided under this Act. Where a need is indicated, special industry advisory committees may be set up to aid the department in programming.

**SECTION 6.** The State shall provide funds to cover such actual training costs as instructors' salaries, equipment and supplies.

**SECTION 7.** Training is to be undertaken for those occupations for which there is reasonable expectation of employment upon completion of training.

**SECTION 8.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000, or so much thereof as may be necessary, to the department of labor and industrial relations for the purpose of paying weekly compensation as provided by this Act for the period beginning July 1, 1969 to June 30, 1970. The department of labor and industrial relations may include such additional sums as may be necessary in its budget in succeeding fiscal years.

**SECTION 9.** This Act shall take effect upon its approval.

(Approved July 15, 1969.)

A Bill for an Act Relating to Motor Vehicle Odometers.

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

**SECTION 1.** Chapter 311, Revised Laws of Hawaii 1955, is amended by adding a new section to be appropriately designated and to read as follows:

**"Sec. 311- . Tampering with motor vehicle odometer to cause registration of other than true mileage, etc.; penalty.** (a) It is unlawful for any person:

(1) To advertise for sale, to sell, to use, or to install on any part of a motor vehicle or on an odometer in a motor vehicle any device which causes the odometer to register any mileage other than the true mileage driven. For the purposes of this section the true mileage driven is that mileage driven by the car as registered by the odometer within the manufacturer's designed tolerance.

(2) To operate a motor vehicle on any street or highway knowing that the odometer of the vehicle is disconnected or nonfunctional.

## **ACT 252**

(3) To disconnect, turn back, advance or reset the odometer of any motor vehicle with the intent to alter the number of miles indicated on the odometer gauge.

(b) Any person who violates this section shall be fined not more than \$200.

(c) This section shall not apply to the installation, maintenance, repair or replacement of taxi meters, provided, however, that before any person undertakes such activity he shall obtain an endorsement of the manufacturer's certificate of accuracy from the division of weights and measures, department of agriculture, which endorsement shall indicate the number of miles registered on the odometer prior to the installation, maintenance, repair or replacement of the taxi meter."

**SECTION 2.** Section 160-167, Revised Laws of Hawaii 1955, is amended by adding to subsection (a) a new item to be appropriately designated and to read as follows:

"( ) That such applicant has been convicted of a violation of section 311- ."

**SECTION 3.** Section 160-170, Revised Laws of Hawaii 1955, is amended by adding to subsection (a) a new item to be appropriately designated and to read as follows:

"( ) Has been convicted of a violation of section 311- ."

**SECTION 4.** Section 160-173, Revised Laws of Hawaii 1955, is amended in the following respects:

(a) By adding to subsection (b) a new item to be appropriately designated and to read as follows:

"( ) Has been convicted of a violation of section 311- ."

(b) By amending subsection (d) to read as follows:

"(d) In addition to criminal penalties. The suspension or revocation of a license by the board shall be in addition to any penalty that might be imposed upon any licensee upon a conviction at law for any violation of this part or chapter or of section 311- ."

**SECTION 5.** This Act does not affect rights and duties that matured penalties that were incurred, and proceedings that were begun, before its effective date.

**SECTION 6.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 15, 1969.)

A Bill for an Act Relating to Renewal of Automobile Liability Insurance Policies.

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

SECTION 1. Chapter 181, Revised Laws of Hawaii 1955, is amended by adding a new section to read as follows:

**"Sec. 181-448. Automobile liability, renewal.** No insurer shall fail to renew an automobile liability or motor vehicle liability policy insuring against loss resulting from liability imposed by law for property damage, bodily injury, or death suffered by any person arising out of the ownership, maintenance, or use of a motor vehicle unless the insurer shall have mailed or delivered to the named insured, at the address shown in the policy, at least thirty days' advance notice of its intention not to renew.

Renewal of a policy does not constitute a waiver or estoppel with respect to grounds for cancellation which existed before the effective date of such renewal."

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed\* refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

SECTION 3. This Act shall take effect upon its approval and shall apply to policies written or renewed, or which have a renewal anniversary, thereafter.

(Approved July 15, 1969.)

A Bill for an Act Amending Section of\* 103-51, Hawaii Revised Statutes, Relating to Printing, Binding and Stationery Work.

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

SECTION 1. Section 103-51 of the Hawaii Revised Statutes is hereby amended by adding a new paragraph thereto which shall read as follows:

"Every manufacturer responding to the requests for bids or contracts shall submit an affidavit stating that his employees engaged in the performance of the contract will be paid the prevailing wages, which shall include the cost to

\* So in original

## **ACT 255**

him of the fringe benefits, and will work under the prevailing hours of work. The prevailing wages and hours of work shall be for the locality in the State of Hawaii where the work is to be performed and shall be determined by the Director of Labor and Industrial Relations of the State. Any bid or proposal shall not be considered or accepted unless the affidavit is submitted."

**SECTION 2.** This Act shall take effect when the Department of Labor and Industrial Relations has the necessary manpower to implement the provisions herein.

(Approved July 15, 1969.)

## **ACT 255**

H. B. NO. 1008

A Bill for an Act Relating to Teacher Housing.

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

**SECTION 1.** The department of social services, in consultation with the department of education, shall annually review the status of and necessity for subsidized teacher housing throughout the State and upon determination that any particular housing unit is no longer necessary shall have all necessary power and shall proceed to dispose of such unit by sale, demolition, or otherwise. Any net proceeds from the disposal of each such unit shall be paid to the governmental entity vested with fee title to the unit at the time of disposition and any deficit incurred in such disposal shall be paid by the State.

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 15, 1969.)

## **ACT 256**

H. B. NO. 1060

A Bill for an Act Relating to Cable Placing and Splicing Work within Improvement Districts and Amending Chapter 138, Revised Laws of Hawaii 1955.

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

**SECTION 1.** Chapter 138 of the Revised Laws of Hawaii 1955 is hereby amended by adding a new Section thereto to be appropriately designated and to read as follows:

**Section 138-** . Notwithstanding the provision of any statute or ordinance or any regulation made under authority thereof, whenever the legislative body of a county shall determine that the whole or a portion of public utility facilities that are privately owned shall be located underground within an improvement district established pursuant to improvement by assessment statutes or ordinances, the utility engineering, placing of cables and splicing work shall be performed by the public utility concerned notwithstanding that a portion of the cost of the installation of such utility facilities underground may be borne by the county within which such improvement district is situated or the

properties specially benefited within such improvement district or both.

SECTION 2. This Act shall take effect upon its approval.

(Approved July 15, 1969.)

ACT 257

S. B. NO. 809

A Bill for an Act Relating to the Practice of Medicine.

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

SECTION 1. Section 453-2, Hawaii Revised Statutes, is amended by amending the first paragraph to read:

**“License required; exceptions.** Except as otherwise provided by law, no person shall practice medicine or surgery in the State either gratuitously or for pay, or shall offer to so practice, or shall advertise or announce himself, either publicly or privately, as prepared or qualified to so practice, or shall append the letters ‘DR.’ to his name, with the intent thereby to imply that he is a practitioner of medicine or surgery, without having a valid unrevoked license or a limited and temporary license, obtained from the board of medical examiners, in form and manner substantially as hereinafter set forth.”

SECTION 2. Section 453-3, Hawaii Revised Statutes, is amended in the following respect:

(a) The first paragraph down to the colon in the eighth line is amended to read:

**“Limited and temporary licenses.** The board of medical examiners shall issue a limited and temporary license to an applicant who has not met the residency requirement under section 453-4(2), who has not been examined as required by section 453-4, and against whom no disciplinary proceedings are pending in any state or territory, if the applicant is otherwise qualified to be examined, and upon determination that:”

(b) The paragraph immediately following item (5) is hereby repealed.

SECTION 3. Section 453-4, Hawaii Revised Statutes, is amended by amending the first paragraph to read:

**“Qualifications for examination.** Except as otherwise provided by law, no person shall be licensed to practice medicine or surgery unless he has passed an examination and has been found to be possessed of the necessary qualifications.”

SECTION 4. Section 453-5, Hawaii Revised Statutes, is amended by amending the first paragraph to read:

**“Board of medical examiners; appointment, removal, qualifications.** For the purpose of carrying out this chapter the governor shall appoint in the manner prescribed in section 26-34, a board of medical examiners, whose duty it shall be to examine all applicants for license to practice medicine or surgery.”

**ACT 257**

SECTION 5. Section 453-7, Hawaii Revised Statutes, is amended to read:

**"Form of license.** The form of license to practice medicine and surgery shall be substantially as follows:

**State of Hawaii, Board of Medical Examiners  
License to Practice Medicine and Surgery**

....., a native of.....  
....., age.....years, having  
been duly examined by the Board of Medical Examiners, and having been  
found to be possessed of the necessary qualifications, is hereby licensed to  
practice medicine and surgery in the State of Hawaii.

This license is granted and accepted on the express condition that it  
may be revoked at any time for any of the causes enumerated in Section 453-8,  
Hawaii Revised Statutes, which cause or causes shall have been proven to the  
satisfaction of the Board of Medical Examiners.

Given under the seal of the Board of Medical Examiners this.....  
day of....., A.D. ....

By.....  
Chairman, Board of Medical Examiners

The form of temporary and limited license to practice medicine and sur-  
gery shall be substantially as follows:

**State of Hawaii, Board of Medical Examiners  
Limited and Temporary License to Practice  
Medicine and Surgery**

....., a native of.....  
....., age.....years, having been duly  
considered by the Board of Medical Examiners and having been found to be  
possessed of the necessary qualifications, is hereby temporarily licensed to  
practice medicine and surgery in the State of Hawaii, subject to the following  
conditions and limitations: .....

.....  
.....  
.....

This temporary and limited license is granted and accepted on the  
express condition that it may be revoked at any time for any of the causes enu-  
merated in section 453-8, Hawaii Revised Statutes, or for any violation of the  
conditions and limitations contained herein.

Given under the seal of the Board of Medical Examiners this.....  
day of....., A.D. ....

By.....  
Chairman, Board of Medical Examiners"

SECTION 6. Section 453-8, Hawaii Revised Statutes, is amended in the following respects:

(a) The first paragraph down to the colon in the fifth line is amended to read:

**"Revocation or suspension of licenses.** Any license to practice medicine and surgery may be revoked or suspended by the board of medical examiners at any time in a proceeding before the board for any one or more of the following acts or conditions on the part of the holder of such license:"

(b) The last paragraph is amended to read as follows:

"If any such license is revoked or suspended by the board for any act or condition listed in this section, the holder of the license shall be in writing notified by the board of the revocation or suspension. Any license to practice medicine and surgery which has been revoked under this section may be restored by the board of medical examiners."

SECTION 7. Section 453-9, Hawaii Revised Statutes, is amended to read:

**"Hearing; procedure.** In any proceeding before the board of medical examiners for the revocation or suspension of a license to practice medicine and surgery for any act or condition listed in Section 453-8, the person whose license is sought to be revoked or suspended shall be given notice and opportunity for hearing in conformity with Chapter 91."

SECTION 8. Section 453-10, Hawaii Revised Statutes, is amended to read:

**"Witnesses in such proceeding.** In any such proceeding the board and each member thereof may subpoena, administer oaths to, and examine witnesses on any relevant matter in such proceeding. The person whose license is sought in such proceeding to be revoked or suspended shall be entitled to require the board or any member thereof to subpoena and to administer oaths to any witness or witnesses who may be able to present evidence relevant in such proceeding, and shall be entitled to examine any such witness and any other witness in such proceeding. The circuit court of the circuit in which the proceeding is held may enforce by proper proceeding the attendance and testimony of witnesses in such proceeding."

SECTION 9. Section 453-11, Hawaii Revised Statutes, is amended to read:

**"Recalcitrant witnesses; contempt.** If any person called before the board as a witness in any such proceeding, whether under subpoena or otherwise, except as privileged by law, refuses to answer any question which is relevant to the proceeding and is put to him by the board, a member thereof or the person whose license is sought to be revoked or suspended in such proceeding, or disobeys any order of the circuit court relating to the proceeding, the board shall report the matter in writing to any judge of the circuit court of the circuit in which such proceeding is held and such person shall be cited to appear before the circuit judge to show cause why he should not be punished for con-

## **ACT 258**

tempt of court under chapter 729."

SECTION 10. Section 453-12, Hawaii Revised Statutes, is amended to read:

**"Perjury.** Any person who wilfully and knowingly makes under oath any false statement in connection with any such proceeding before the board shall be guilty of perjury and shall be subject to the penalty prescribed by law for perjury. Whenever the board is satisfied that the witness has committed perjury in any proceeding before the board, it shall report the same to the prosecuting officer of the county in which the perjury took place, who shall prosecute the witness for perjury."

SECTION 11. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes may exclude the brackets, the bracketed material, or the underscoring.\*

SECTION 12. This Act shall take effect July 1, 1969.

(Approved July 15, 1969.)

## **ACT 258**

S. B. NO. 1073

A Bill for an Act Relating to Powers of State Banks.

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

SECTION 1. Chapter 403 of the Hawaii Revised Statutes is hereby amended by adding thereto a new section, to be numbered 403-47.1 and to read as follows:

"**§403-47.1.** With the consent of the director of regulatory agencies, every bank organized under the laws of the State shall have power to and may engage in any activity or business and acquire, hold and dispose of any property or interest as and to the same extent it would, at the time, be so authorized by federal legislation or regulation if it were a national bank. The provisions of this section are in addition to, and not in limitation of, any other provision in this chapter, and the powers granted by this section may be exercised notwithstanding any other provision in this chapter, including the provisions of sections 403-96 and 403-99. The director of regulatory agencies shall be authorized to adopt, amend and repeal rules limiting the exercise of the powers granted by this section as he shall find to be necessary to avoid unsound banking practices."

SECTION 2. Effective date. This Act shall take effect upon its approval.

(Approved July 15, 1969.)

## **ACT 259**

H. B. NO. 21

A Bill for an Act Relating to the Hawaiian Home-Loan Fund.

\* Edited accordingly

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

SECTION 1. Subsection 213(b) of the Hawaiian Homes Commission Act of 1920 is amended in the following respect.

1. By amending the first sentence of the fourth paragraph to read as follows:

“Fifteen percent of the annual Additional Receipts, hereinafter called the ‘Additional Receipts - Loan Fund Portion,’ shall be retained in the special revolving fund and be used for and in connection with the repair or maintenance or purchase or erection or improvement of dwellings on either Hawaiian home lands or non-Hawaiian home lands, whether owned or leased, with loans by the department or by financial institutions, governmental or private.”

2. By amending the first sentence of item (3), and all of items (4), and (6) of the fourth paragraph to read as follows:

(3) Where the dwelling is on Hawaiian home lands, anything in the Act to the contrary notwithstanding, either the department or other governmental agencies may make loans, and the loans made in connection with the repair or maintenance or purchase or erection or improvement of dwellings shall be subject to, all applicable provisions of the Act, including but not limited to the provisions of sections 207, 208, 209, 210, 215, 216, and 217, and to such legislative amendments of the Act herein or hereafter enacted, provided such amendments do not change the qualifications of lessees or constitute a reduction or impairment of the Hawaiian home loan fund, Hawaiian home operating fund or Hawaiian home development fund or otherwise require the consent of the United States.

(4) Where the dwelling is on non-Hawaiian home lands, anything in the Act to the contrary notwithstanding, either the department or financial institutions may make loans, and in connection with such loans, the department shall be governed by, and the loans made in connection with the repair or maintenance or purchase or erection or improvement of dwellings shall be subject to, such terms and conditions as the department may, by rules and regulations not inconsistent with the provisions of this legislative amendment to such Act, promulgate; provided, the department shall require any loan made or guaranteed or otherwise underwritten to be secured adequately and suitably by a first or second mortgage or other securities;

(6) The department may borrow and deposit into the special revolving account for the purposes of repairing or maintaining or purchasing or erecting or improving dwellings on Hawaiian home lands and non-Hawaiian home lands and related purposes as provided for in the second paragraph of (8) hereinafter, from financial institutions, governmental or private, and if necessary in connection therewith, to pledge, secure or otherwise guarantee the repayment of moneys borrowed with all or a portion of the estimated sums of Additional Receipts for the next ensuing ten years from the date of borrowing, less any portion thereof previously encumbered for similar purposes.”

SECTION 2. Section 214, item (1) of the Hawaiian Homes Commission Act of 1920 is amended to read as follows:

“The repair or maintenance or purchase or erection of dwellings on any

## **ACT 260**

tract and the undertaking of other permanent improvements thereon;"

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

(Approved July 16, 1969.)

## **ACT 260**

H. B. NO. 158

A Bill for an Act Relating to Architectural and Highway Crossing Barriers to the Physically Handicapped and Amending Section 9-57 of the Revised Laws of Hawaii 1955.

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

**SECTION 1.** Section 9-57 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**"Sec. 9-57. Building design to consider needs of handicapped.** Notwithstanding the provisions of any law to the contrary, all plans and specifications for the construction of public buildings and facilities by the State or any political subdivision thereof subject to this chapter shall be prepared so the buildings and facilities are accessible and usable by the physically handicapped. The buildings and facilities shall conform to the latest issue of the "American Standards Specifications for Making Buildings and Facilities Accessible to and Usable by the Physically Handicapped" as approved by the American Standards Association, Inc. (A117.1)."'

**SECTION 2.** The state highway safety coordinator, under his authority dealing with highway design, construction, and maintenance and his authority dealing with pedestrian safety, shall provide that appropriate facilities be constructed at certain street locations for the use of physically handicapped persons.

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 16, 1969.)

## **ACT 261**

H. B. NO. 392

A Bill for an Act Relating to Funds for the Initial Costs to Develop Low and Middle Cost Public Housing.

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

SECTION 1. Act 25, Session Laws of Hawaii 1968, is amended by amending the new section therein to read as follows:

**"Sec. 77- . Housing development fund created.** (a) There shall be a revolving fund to be known as the Hawaii development revolving fund for housing which shall be administered by the Hawaii housing authority. All repayments or principal and interest on loans made by the Hawaii housing authority from the fund shall be placed in the Hawaii development revolving fund for housing to be used for the purposes of this section.

(b) The Hawaii housing authority may make loans to cover planning, development, and initial costs of commencing projects to provide non-profit, low and middle cost housing through the use of federal funds. In managing the fund, the authority may cooperate with other public and private agencies or individuals and may enter into loan agreements with them. The necessity for the extent and nature of security required for a loan shall be determined by the authority. The security may include, but is not limited to, a borrowing resolution of the non-profit entity.

The foregoing powers are subject, however, to the following restrictions and limitations:

(1) No single loan shall exceed two per cent of the project cost;

(2) The loan shall be repaid with simple interest in the amount of six per cent per year;

(3) The monies loaned shall be used only for the planning, development, and initial costs of commencing projects to provide non-profit low and middle cost housing.

The authority may in accord with chapter 6C make rules and regulations to carry out the purposes of this Act."

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 16, 1969.)

A Bill for an Act Requiring the Notation of Odometer Reading on Documents of Sales of Motor Vehicles by Amending Chapter 201A, Revised Laws of Hawaii 1955, as Amended.

## **ACT 263**

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

SECTION 1. Chapter 201A, Revised Laws of Hawaii 1955, as amended, is further amended by adding thereto the following section to be appropriately numbered and to read as follows:

**“Section 201A- . Odometer Reading.** “(a) The Seller in every retail installment sales contract, sales contract, bill of sale or other instrument conveying, transferring or selling any interest in a motor vehicle, other than a security interest, without a written sales document, shall deliver to the Buyer prior to the execution of such sales document by the Seller or if there is no sales document, prior to receipt of payment or deposit from the Buyer, a written statement signed by the Seller containing the exact odometer reading of such motor vehicle at the time of such sale, the date of such sale and if the odometer is not in operative condition at the time of such sale, the statement shall include such fact. If such motor vehicle does not contain an odometer at the time of such sale, the Seller shall furnish the Buyer a written statement to such effect signed and dated as aforesaid and at the aforesaid time.

“(b) The Buyer receiving the statement described in subsection (a) herein executed by his immediate Seller, shall retain and deliver same plus the statement required of him by subsection (a) herein upon conveying, transferring or selling any interest in such motor vehicle, except a security interest, to another Buyer. If the first mentioned Buyer cannot deliver the aforesaid statement executed by his immediate Seller to the second Buyer, then the first mentioned Buyer shall deliver in lieu thereof, an affidavit stating the facts contained in such statement.

“(c) No person shall willfully alter or destroy the statement described in subsection (a) herein after delivery thereof by the Seller, unless such statement is not required to be retained and delivered under subsection (b) herein.

“(d) Penalty. Whoever violates any provision of this section shall be fined not more than FIVE HUNDRED DOLLARS (\$500).

“(e) The provisions of Section 201A-21 shall not apply to this section.”

SECTION 2. If House Bill No. 718\* is enacted into law, then the manufacturer's certificate of accuracy required by that bill is the written statement which is required by this Act.”

SECTION 3. This Act shall take effect upon approval.

(Approved July 16, 1969.)

## **ACT 263**

H. B. NO. 477

A Bill for an Act Relating to the Regulation and Licensing of Motor Vehicle Manufacturers and Distributors and their Branches and Representatives, Motor Vehicle Dealers, Auctions, Salesmen and Auctioneers by Amending Chapter 437, Hawaii Revised Statutes.

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

\* Act 279

SECTION 1. Chapter 437, Hawaii Revised Statutes, is amended in the following respects:

(1) By amending the title to read "**MOTOR VEHICLE INDUSTRY LICENSING ACT**".

(2) By adding a section to be appropriately numbered and to read as follows:

**Sec. 437- . Legislative findings and declaration.** The legislature finds that the manufacture, distribution, and sales of motor vehicles in the State vitally affects the general economy of the State and the public interest and public welfare; that the manufacturers of motor vehicles, whose physical manufacturing facilities are not located within the State, and distributors are doing business in the State through their control and relationship and transactions with their dealers, branches, and representatives; that the geographical location of Hawaii makes it necessary to insure the availability of motor vehicles and parts and dependable service therefor within the State to protect and preserve the transportation system and the investments of its residents. The legislature declares, on the basis of the foregoing findings, that it is necessary to regulate and to license motor vehicle manufacturers and distributors and their branches and representatives, motor vehicle dealers, salesmen, auctions, and auctioneers and any other person engaged in the business of selling or purchasing motor vehicles in the State, in order to prevent frauds, impositions, and other abuses against its residents and to protect and preserve the economy and the transportation system of the State."

(3) By amending section 437-1 to read as follows:

**Sec. 437-1. Definitions.** As used in this chapter:

(1) "Auction" means any person engaged in the business of selling motor vehicles by means of bidding at a public or private sale, but excludes an auctioneer and any person referred to in item (6)(A), (B), (D), or (E) when the auctioneer or person acts in his respective capacity described in this section.

(2) "Auctioneer" means a person who for gain or compensation of any kind, sells or offers for sale or exchange, motor vehicles or any interest therein by means of soliciting bids on behalf of an auction.

(3) "Board" means the motor vehicle industry licensing board created by this chapter.

(4) "Business" includes any activities regularly engaged in by any person or regularly caused to be engaged in by him for the object of gain, benefit, or advantage, either direct or indirect.

(5) "Consumer" means a person who intends to or actually drives or physically utilizes a motor vehicle for his personal, family, or business use, including the business of renting or leasing motor vehicles.

(6) "Dealer" includes any person not expressly excluded by this chapter engaged in the business of selling, soliciting, offering, or attempting to negotiate sales, purchases, or exchanges of motor vehicles or any interest therein, including options to purchase motor vehicles. "New motor vehicle dealer" means a dealer who engages in the business of selling at wholesale or retail, or both, new motor vehicles or new and used motor vehicles. "Used motor vehicle dealer"

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means a dealer who engages in the business of selling at wholesale or retail, or both, only used motor vehicles.

The term "dealer" excludes a person who sells or purchases motor vehicles in the capacity of:

(A) A receiver, trustee, administrator, executor, guardian, or any other person appointed by or acting under a judgment or order of any court; or

(B) A public officer while performing his official duties; or

(C) A holder of a license issued under this chapter, other than a dealer, when acting within the scope of the license; or

(D) An insurance company, finance company, bank, or other financial institution selling or offering for sale motor vehicles repossessed or foreclosed by it under the terms of a retail installment sales contract or security agreement; or

(E) A person not engaged in the business of selling or purchasing motor vehicles when acquiring or disposing of motor vehicles for their own personal, family, or business use; provided such vehicles are acquired or disposed of for such use in good faith and not for the purpose of evading any provisions of this chapter.

(7) "Distributor" means any person, resident or nonresident, including a manufacturer, who in whole or in part offers for sale, sells, or distributes new motor vehicles to dealers.

(8) "Distributor branch" means any office or establishment maintained by a distributor, either directly or indirectly, for the purpose of selling, offering for sale, promoting the sale of, or distributing new motor vehicles to dealers, or for the purpose of directing or supervising, in whole or in part, factory or distributor representatives.

(9) "Distributor representative" means any representative, employee, agent, contractor, or any person, other than an independent advertising agency, employed by or under a contract with a distributor, directly or indirectly, for the purpose of selling, promoting the sale of, or distributing new motor vehicles or for the purpose of supervising or regulating the business affairs of motor vehicle dealers or prospective dealers.

(10) "Factory branch" means any office or establishment maintained by a manufacturer, directly or indirectly, for the purpose of selling, offering for sale, or promoting the sale of new motor vehicles to a distributor or dealer, or for directing or supervising, in whole or in part, factory or distributor representatives.

(11) "Factory representative" means a representative, employee, agent, contractor, or any person, other than an independent advertising agency, employed by a manufacturer or factory branch for the purpose of selling or promoting the sale of new motor vehicles of such manufacturer or for supervising the franchised dealers or prospective dealers of such manufacturer.

(12) "Franchise" means any contract or agreement between a dealer and a manufacturer or distributor or branches or representatives thereof, which authorizes the dealer to engage in the business of selling or purchasing any particular make or makes of new motor vehicles or parts therefor manufactured or distributed by such manufacturer or distributor.

(13) "Manufacturer" means any person, resident or nonresident, who is engaged in the business of manufacturing or assembling new motor vehicles.

(14) "Motor vehicle" includes any vehicle, motor vehicle, or truck, as defined in sections 249-1 and 249-2, except for tractors, trailers, and amphibious vehicles.

(15) "New motor vehicle" means a motor vehicle which (A) has not previously been sold to any person except a distributor, wholesaler, or dealer for resale, except where the vehicle has not left the dealer's possession after the sale to a consumer and (B) has not previously been registered or titled in the name of a consumer except where the vehicle has not left the dealer's possession after the sale to a consumer, and (C) has not been driven more than five hundred miles; provided, that where a sale, registration, entitlement, or transfer of title of a motor vehicle or the accrual of mileage thereon is primarily for the purpose of evading this provision, the motor vehicle shall be deemed a new motor vehicle for the purposes of this chapter.

(16) "Person" is defined as provided for in section 1-19.

(17) "Premises" or "licensed premises" means the premises in connection with which a license has been, or is proposed to be, issued, including branch locations. The term "premises" or "licensed premises" is substituted for the term "place of business" wherever found in this chapter.

(18) "Retail", "sale at retail", "retail sale", and equivalent expressions, mean the act or attempted act of selling a motor vehicle to a person for use as a consumer.

(19) "Retail installment contract" is defined as provided for in section 476-1.

(20) "Sale", "selling", and equivalent expressions, mean the act or attempted act, either as principal or an agent or in any capacity whatsoever, of selling, bartering, exchanging, or otherwise disposing of, or negotiating, or offering, or attempting to negotiate the sale, purchase, or exchange of, or interest in, a motor vehicle, including an option to purchase a motor vehicle.

(21) "Salesman" means any person who for gain or compensation of any kind, directly or indirectly, by any form of agreement or arrangement, sells, solicits, offers for sale, exchanges, or otherwise deals in, motor vehicles or any interest therein on behalf of any motor vehicle dealer.

(22) "Treasurer" means the director of finance of each county.

(23) "Used motor vehicle" means a motor vehicle other than a new motor vehicle.

(24) "Wholesale" or "sale at wholesale" or "wholesale sale" and equivalent expressions, mean any sale other than a retail sale."

(4) By amending section 437-2 to read as follows:

**"Sec. 437-2. Licenses.** (a) No person shall engage in the business as or serve in the capacity of, or act as a motor vehicle dealer, motor vehicle salesman, motor vehicle auction, motor vehicle auctioneer, manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative in this State or otherwise engage in business of selling or negotiating for the purchase of motor vehicles in this State without being licensed

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as provided in this chapter. A license issued under this chapter shall authorize the holder to engage in the business or activities permitted by the license, only in the county for which the license is issued.

(b) A license issued under this chapter shall authorize the holder to engage in the same business at branch locations in the same county for which the license is issued during the term thereof; provided each of such branch locations is approved by the board.

(c) A dealer's license or auction's license issued to a sole proprietorship or partnership shall authorize the sole proprietor or general partner to engage in the business of salesman or auctioneer, respectively, without a license therefor, only for and in the business of the holder of the dealer's license or auction's license, as the case may be, and only for the county in which the license is issued.

(d) In the event of the dissolution of a partnership, holding a current license issued under this chapter, due to the death of one or more partners, the surviving partners may operate the business under the license for the remaining effective term of the license but not to exceed sixty days. In the event of the death or bankruptcy of the holder of a current license issued under this chapter, the duly appointed administrator or executor or receiver or trustee in bankruptcy, whichever the case may be, may operate the business under the license for the remaining effective term of the license."

(5) By amending section 437-3 to read as follows:

**"Sec. 437-3. Prohibited acts for dealer or auction.** No dealer or auction shall sell or bring or cause to be brought into this State for purposes of sale any new motor vehicle for which the dealer or auction is not franchised."

(6) By amending section 437-5 to read as follows:

**"Sec. 437-5. Board.** A motor vehicle industry licensing board is created for the State. The board shall consist of seven members and shall be selected in the manner provided by section 26-34. The board shall designate one of its members as chairman. Three of the members shall be engaged in the motor vehicle industry and four of the members shall be private citizens not connected with the industry."

(7) By amending section 437-6(6) to read as follows:

"(6) Minimum qualifications. Establish by rules and regulations, minimum qualifications to be met by applicants for licenses issued pursuant to this chapter."

(8) By amending section 437-7 to read as follows:

**"Sec. 437-7. Application for issuance or renewal of license.** (a) Application. Any person desiring the issuance of a license under this chapter shall file an application therefor with the motor vehicle industry licensing board. Prior to the expiration of the term of a license, the holder shall file an application for renewal of the license. The board shall prescribe the form, information required, manner, and time for presentation of applications for issuance or renewal of licenses issued under this chapter, except as otherwise provided herein.

## (b) Financial statements.

(1) Applicants for the issuance of a dealer's or auction's license shall furnish the following financial statements to the board:

(A) Sole proprietorship. An applicant proposing to operate as a sole proprietorship shall furnish a personal financial statement and a financial statement of the proposed business.

(B) Partnership. An applicant proposing to operate as a partnership shall furnish a personal financial statement for each general partner and a financial statement of the partnership.

(C) Corporation. A corporate applicant shall submit a corporate financial statement.

(2) The board shall determine and prescribe the requirement of, form, and information required, in financial statements for applicants for other licenses.

(3) All financial statements shall be certified as to accuracy by a public or certified public accountant or verified as to accuracy by the applicant under oath.

## (c) Filing fees.

(1) All applicants for the issuance of a new license shall pay a \$25 filing fee concurrently with each application, except the filing fee for a new salesman's or auctioneer's license shall be \$5.

(2) When a license is granted, the filing fee deposited with the application shall become part payment of the fee required for the particular class of license. When an application is denied or withdrawn, the filing fee paid shall become a realization of the board.

(d) Investigation and report. Upon the filing of any application, a staff member shall indorse on it the date of filing. If no patent disqualification of the applicant is disclosed or no valid objection to the granting of the application is apparent and if all requirements relative to the filing of the application appear to have been complied with, the chairman of the board or executive secretary shall refer the application to a staff member for investigation and report. The report shall include:

(1) A statement as to whether or not the applicant is for any reason disqualified by this chapter from obtaining or exercising a license; and whether or not he has complied with all the requirements of this chapter relative to the making and filing of his application; and

(2) Information relating to any and all other matters and things which in the judgment of the staff member pertain to or affect the matter of the application or the issuance or the exercise of the license applied for; and

(3) In the case of an application for a dealer's or auction's license, in addition to the foregoing:

(A) A description of the premises intended to become the licensed premises, and the equipment and surrounding conditions; and

(B) If the applicant has held a prior dealer's or auction's license for the same or any other premises within two years past, a statement as to the manner in which the premises have been operated and the business conducted under the previous license; and

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(C) If the applicant proposes to engage in the business of selling new motor vehicles, a written statement from the applicable manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, or such other evidence as prescribed by the board, that the applicant is authorized to sell or distribute such new motor vehicle in the county of licensing.

(e) Notice of interview. After the filing of the report, the board may interview the applicant and upon the interview and other information that is before the board, it may grant or deny the application.

(f) Prior inspection of premises. No new dealer's or auction's license shall be issued under this chapter unless and until the board has caused to be made a thorough inspection of the premises upon which the proposed business is to be conducted and is satisfied that it has met all the requirements as provided in this chapter and that all other general conditions and proposed methods of operation under the license are such as are suitable for carrying on the business in a reputable manner.

(g) Limitation on license.

(1) A dealer's or auction's license issued under this chapter shall authorize the doing of the business at the licensed premises, the boundaries of which shall be determined by the map or plan submitted together with the application for license approved by the board; except in the case of an enlargement or reduction of the licensed premises with the approval of the board indorsed on an amended map or plan.

(2) A license issued under this chapter shall authorize the doing of a business thereunder only for the county in which the license has been issued; and in the case of a salesman or auctioneer, the license shall authorize him to be a salesman or auctioneer only for the dealer or auctions respectively named in the application for a license or an amended license.

(h) Motorcycles and motor scooters. A used motor vehicle dealer's license shall authorize the holder to sell new motorcycles and motor scooters if the licensee is franchised therefor."

(9) By repealing sections 436-9\*, 437-10, 437-19, and 437-20.

(10) By amending section 437-15 to read as follows:

**"Sec. 437-15. Principals held responsible.** Every holder of a license issued under this chapter shall be held strictly responsible for the conduct of his agents and employees in all transactions regarding motor vehicles, motor vehicle parts, franchises, and transactions involving a subject or matter within the jurisdiction of the board. No licensee shall permit any person not licensed under this chapter to sell or exchange or offer to sell or exchange any motor vehicle on the premises specified in the license or to sell or exchange any motor vehicle on behalf of the licensee off of the premises specified in the license."

(11) By amending section 437-22 to read as follows:

**"Sec. 437-22. License fees.** (a) Authority to establish. The board shall establish by rules and regulations in accordance with chapter 91, the annual license fees for licenses issued pursuant to this chapter.

(b) Payment. In all cases the license and filing fees shall accompany the

\* So in original, should probably read 437-9.

application for license.

(c) Refund. In case the license is not granted, the license fee but not the filing fee shall be returned to the applicant at the time he is formally notified that his application is denied."

(12) By amending section 437-23 to read as follows:

**"Sec. 437-23. Term of license.** (a) Expiration. All licenses issued pursuant to this chapter shall expire on June 30 of each year unless sooner terminated, suspended, or revoked. All applications for renewal of license shall be filed on or before June 30 of each year together with the applicable fees.

(b) Reapplication. If a licensee fails to renew his license on or before June 30 and desires to continue in the business or activity for which the license was issued, he shall file a new application for a license and shall pay in addition to the license and filing fee a penalty of twenty-five percent of the license fee; provided that the board may for good cause waive the collection of all or a part of the penalty; and provided that nothing contained in this section shall limit the power of the board to deny any application on the grounds provided in this chapter."

(13) By amending section 437-24 to read as follows:

**"Sec. 437-24. Licenses terminate, when.** (a) General. Any license issued pursuant to this chapter shall terminate upon the permanent or temporary cessation of the business or activity for which it was issued.

(b) Salesman's or auctioneer's license. A salesman's or auctioneer's license shall terminate upon the termination of the license of the dealer or auction, respectively, by whom he is employed (if employed by only one auction) or upon the termination of his employment (if employed by only one auction).

(c) Delivery to board of license. Upon the termination, suspension, or revocation of a license, the holder shall deliver it to the board.

(d) License reissued, when. Where the termination is not the result of suspension or revocation by the board for cause, the board shall reissue the license to the holder without cost if he resumes his business or employment within the term for which it was issued."

(14) By amending section 437-25 to read as follows:

**"Sec. 437-25. Amended licenses.** (a) Application. Prior to entering the employ of a dealer or auction, other than the one for which his license was issued, a salesman or auctioneer, respectively, shall apply to the board for an amended license authorizing the new employment. Prior to moving or amending the premises or adding branch locations of a business for which a license was issued under this chapter, the holder shall apply for an amended license authorizing the change.

(b) Issuance. The executive secretary of the board is authorized to issue the amended license of a salesman or auctioneer subject to the ratification by the board for the first three amendments to a license during the original term thereof. The board shall issue the fourth and following amendments to such license during the term of the original license. The executive secretary is author-

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ized to issue an amended license for new or amended premises or for additional branch locations of the business under a license subject to the board's ratification; provided that the executive secretary shall not issue an amended license when a prior amendment to the same license has not been acted upon by the board. Unless good cause exists, the amended license shall be freely issued for the remainder of the original term.

(c) Fees. The fees for amended licenses shall be set by the board, by rules and regulations in accordance with chapter 91."

(15) By amending section 437-27 to read as follows:

**"Sec. 437-27. Change of status, notice.** If the status of any licensee changes during the period for which the license is issued in respect to:

(1) Changes in officers, directors, or limited partners of the licensee or termination of the employment of any licensed salesman or auctioneer; or

(2) The transfer of more than ten percent of the ownership of the licensee to one person; or

(3) The termination of a licensed premises by a dealer or auction or the acquiring or termination of a franchise; or

(4) The assignment of any part of the licensee's assets for the benefit of creditors; the licensee shall within fifteen days thereafter file with the board notice of such change containing such information as may be required by the board; provided that nothing contained in this section shall limit the power of the board to suspend, revoke, or deny the renewal of such license or impose any other penalty authorized by this chapter."

(16) By amending section 437-28 to read as follows:

**"Sec. 437-28. Suspension; revocation; denial of issuance or renewal of a license.** (a) Investigation. The board shall upon the verified written complaint of any person or may upon its own motion investigate the conduct of any licensee or applicant for a license under this chapter and may suspend, revoke, or deny the issuance or renewal of any license issued under this chapter in the manner and for the causes provided in this chapter.

(b) Grounds for suspension, revocation, or denial of issuance or renewal of a license. The board may, after notice and hearing as provided in chapter 91, and subject to appeal to the circuit court of the circuit in which the board has jurisdiction under the procedure and rules prescribed from time to time by the laws of the State or the applicable rules of the courts pertaining to appeals to circuit courts, suspend, revoke, or deny the renewal of any license, or prior to such notice and hearing deny the issuance of any license if it finds that the applicant or holder, or any officer, director, general manager, trustee, partner, or stockholder owning more than a ten percent interest of such applicant or holder:

(1) Has intentionally made a false statement of a material fact in his application for a license or in any other statement required by this chapter or has obtained or attempted to obtain a license by fraud or misrepresentation; or

(2) Has failed to comply, observe, or adhere to any provision of this chapter or any other law relating to the sale, taxing, or licensing of motor vehicles or any rule, regulation, or order made pursuant to this chapter; or

(3) Has committed a fraudulent act in selling, purchasing, or otherwise dealing in motor vehicles or has misrepresented the terms and conditions of a sale, purchase, or contract for sale or purchase of a motor vehicle or any interest therein including an option to purchase such motor vehicles; or

(4) Has engaged in his business under a past or present license issued pursuant to this chapter, in such a manner as to cause injury to the public or to those with whom he is dealing; or

(5) Has failed to comply, observe, or adhere to any law in any other respect on account whereof the board may deem him to be unfit or improper person to hold a license; or

(6) Has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license; or

(7) Has been convicted of a felony or misdemeanor involving moral turpitude, and has not been pardoned therefor. This restriction shall also apply to any corporate or partnership applicant or holder of a license, where a stockholder or general or limited partner owning directly or indirectly more than a ten percent interest in such applicant or holder has been so convicted; or

(8) Is insolvent or has filed or is the subject of petition for bankruptcy, wage earner's plan, or financial reorganization plan; or has made or proposes to make an assignment for benefit of creditors; or

(9) In the case of an individual applicant or holder of a license, is not at least twenty years of age; in the case of a partnership applicant or holder of a license, if any general or limited partner thereof is not at least twenty years of age; or

(10) Has charged more than the legal rate of interest on the sale or purchase or attempted sale or purchase or in arranging the sale or purchase of motor vehicle or any interest therein including an option to purchase; or

(11) Has violated any of the laws pertaining to false advertising or to retail installment sales in the offering, solicitation, selling or purchasing, or arranging to sell or purchase a motor vehicle or any interest therein; or

(12) Has wilfully failed or refused to perform any unequivocal and indisputable obligation under any written agreement involving the sale or purchase of a motor vehicle or any interest therein including an option to purchase; or

(13) Has been denied the issuance of a license under this chapter for substantial culpable cause or for having had a license issued under this chapter suspended, revoked, or the renewal thereof denied for substantial culpable cause; or

(14) Has entered or has attempted to enter or proposes to enter into any contract or agreement contrary to this chapter or any rule or regulation adopted thereunder; or

(15) Has been or is engaged or proposes to engage in the business of selling new motor vehicles as a dealer or auction without a proper franchise therefor; or

(16) Has at any time employed or utilized or attempted or proposed to employ or utilize any person not licensed under this chapter who is required to be so licensed; or

(17) Being a salesman or dealer:

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(A) Has required a purchaser of motor vehicles as a condition of sale and delivery thereof to purchase special features, appliances, accessories, or equipment not desired or requested by the purchaser; provided that this prohibition shall not apply as to special features, appliances, accessories, or equipment which are ordinarily installed on the vehicle when received or acquired by the dealer; or

(B) Has represented and sold as an unused motor vehicle any motor vehicle which has been operated as a demonstrator, leased, or U-drive motor vehicle; or

(C) Has sold a new motor vehicle without providing or securing for the purchaser the standard factory new car warranty for the vehicle, unless the dealer or salesman clearly notes in writing on the sales contract that the new motor vehicle is sold without the standard factory warranty; or

(18) Being an applicant or holder of a dealer's license:

(A) Has sold or proposed to sell new motor vehicles without providing for the maintenance of a reasonable inventory of parts for such new vehicles or without providing and maintaining adequate repair facilities and personnel for such new vehicles at either the main licensed premises or at any branch location; or

(B) Has employed or proposed to employ any salesman who is not duly licensed under this chapter; or

(C) Has sold or proposed to sell new motor vehicles without being franchised therefor; or

(D) Has proposed to sell new motor vehicles under a franchise awarded by a manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative who is charged with cancelling or failing to renew a franchise agreement with a dealer unfairly without due regard to the equities of such dealer or without good faith, in a complaint filed with the board with which such proposal is pending, which complaint has not been finally disposed of by the board and by the highest applicable appellate court if appeal has been taken of the decision of the board; or

(19) Being an applicant or holder of an auction's license:

(A) Has employed or proposed to employ any auctioneer who is not licensed under this chapter; or

(B) Has sold or proposed to sell new motor vehicles without being franchised therefor; or

(20) Being an applicant for a salesman's license:

(A) Does not intend to be employed as a salesman for a licensed motor vehicle dealer; or

(B) Does not intend to be employed as a salesman as his principal occupation; or

(C) Intend to be employed as a salesman for more than one dealer; or

(21) Being a motor vehicle auctioneer, does not intend to be employed as such by a licensed auction under this chapter; or

(22) Being a manufacturer, factory branch, factory representative, distributor, distributor branch or distributor representative:

(A) Has attempted to coerce or has coerced any dealer in this State to

enter into any agreement with such manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, or to do any act which the dealer is not legally required to perform or enter or to refrain from doing any act which the dealer can legally perform, by threatening to cancel or fail to renew any franchise agreement between such manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative and the dealer; or

(B) Has attempted to coerce or coerced any dealer in this State to enter into any agreement with such manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, or to do any act which the dealer is not legally required to perform or enter or to refrain from doing any act which the dealer can legally perform or to penalize or threaten to penalize any dealer for failing to enter such agreement as aforesaid or for failing to do such act as aforesaid or for failing to refrain from doing such act as aforesaid, by awarding or threatening to award a franchise to another person for the sale of the same make of new motor vehicles in the same sales territory covered by the existing franchise agreement of the dealer; or

(C) Has attempted to or has cancelled or failed to renew the franchise agreement of any dealer in this State unfairly without due regard to the equities of the dealer or without good faith, as defined herein. Upon such cancellation or failure to renew a franchise agreement, the party cancelling or failing to renew the franchise agreement shall, at the dealer's option, either compensate the dealer at the fair market going business value for the dealer's capital investment, which shall include but not be limited to the going business value of the franchise, good will, property and improvement owned or leased by the dealer for the purpose of the franchise, inventory of parts and motor vehicles possessed by the dealer in connection with the franchise, plus reasonable attorney's fees incurred in collecting such compensation; provided that such capital investment shall have been made with reasonable and prudent judgment for the purpose of the franchise agreement; or compensate the dealer for his damages including attorney's fees as aforesaid, resulting from the cancellation or failure to renew the franchise agreement. As used herein, "good faith" means the duty of each party to any franchise agreement to act in a fair and equitable manner towards each other, with freedom from coercion or intimidation or threats thereof from each other; or

(D) Has delayed delivery of or refused to deliver without cause, any new motor vehicle to a dealer, franchised to sell the new motor vehicle, within a reasonable time after receipt of a written order for the vehicle from the dealer. The delivery to another dealer of a motor vehicle of the same model and similarly equipped as the vehicle ordered by a dealer who has not received delivery thereof, but who had placed his written order for the vehicle prior to the order of the dealer receiving the vehicle, shall be prima facie evidence of a delayed delivery of, or refusal to deliver, a new motor vehicle without cause. The non-delivery of a new motor vehicle to a dealer within sixty days after receipt of a written order for the vehicle from a dealer shall also be prima facie evidence of delayed delivery of, or refusal to deliver, a new motor vehicle without cause; provided that the delayed delivery of, or refusal to deliver, a motor vehicle shall

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be deemed with cause if the manufacturer establishes that the delay or refusal to deliver is due to a shortage or curtailment of material, labor, transportation, utility service, labor, or production difficulty, or other similar cause beyond the reasonable control of the manufacturer; or

(E) Has sold or distributed or caused to be sold or distributed any new motor vehicle to a person in this State at a lower actual price than the actual price charged to a dealer in this State for the same model vehicle similarly equipped; or

(F) Has discriminated against their franchised dealers in this State by not providing the equivalent value of service, transportation, parts, and accessories with each new motor vehicle for the purchase price as provided to their franchised dealers in other states.

(c) Violation. Each of the aforementioned grounds for suspension, revocation, or denial of issuance or renewal of license shall also constitute a violation of this chapter, unless the person involved has been tried and acquitted or convicted of the offense constituting such grounds.

(d) Suspension pending hearing. When it is deemed urgent by the board for the proper protection of the public that a license be immediately or summarily suspended pending a hearing of any charge against the licensee, the order of suspension shall be served upon the licensee at the same time as the notice of hearing on the charge. Any attempt of the licensee to continue his business or occupation while his license is so suspended shall of itself be sufficient to warrant a permanent revocation of his license and shall also subject him to all the penalties prescribed by this chapter for violations. For such disregard of an order suspending his license, the board may summarily take possession of and impound all motor vehicles belonging to or in the possession of the licensee whether or not the vehicles are situated upon the licensed premises, pending final action in this case or may, without taking possession of such motor vehicles, render them unusable; provided, however, that the right of the board to take any such action and any liens for towing or storage or otherwise arising from such action are subject to and subordinate to any security interest which has attached to such motor vehicles prior thereto, and the board shall prior to taking any such action give notice thereof to any secured party whose security interest in such motor vehicles is known to the board or who, prior to any such action by the board, had filed a financing statement covering such motor vehicles or had noted his lien on the legal ownership certificates thereof.

(e) In addition to criminal penalties. The suspension, revocation, or refusal to issue or renew a license or the imposition of any other penalty by the board shall be in addition to any penalty which might be imposed upon any licensee upon a conviction at law for any violation of this chapter."

(17) By adding a new section to be appropriately numbered and to read as follows:

**"Sec. 437- . Bonds: manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative, auction, auctioneer.** (a) Auction. The bond of an auction shall be in the same amount and under the same terms and conditions as required for a new motor

vehicle dealer under section 437-17.

(b) Auctioneer. The bond of an auctioneer shall be in the same amount and under the same terms and conditions as required for a salesman under section 437-21, regardless of whether the auctioneer is employed by more than one auction.

(c) Manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative. Each manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative engaged in the business of manufacturing, distributing, or selling new motor vehicles in this State shall furnish and maintain a surety bond in the penal sum of \$100,000 guaranteeing compliance by the principal with this chapter and the rules and regulations enacted thereunder and protecting the treasurer, the dealers, and the general public from any loss or damage resulting from the violation of any provision of this chapter or any rule or regulation enacted thereunder; provided that a factory branch, factory representative, distributor, distributor branch, or distributor representative need not furnish separate bonds if the manufacturer or distributor it represents has filed the bond required hereunder and the factory branch, factory representative distributor, distributor branch, or distributor representative is named as a principal therein.

Suit on bonds shall be allowed under the same terms and conditions provided for a dealer's bond in section 437-17(d). Nothing contained in this section shall prohibit or prevent an independent action against the licensee in violation as aforesaid and any other person from being joined or consolidated with an action on the bond and the recovery of a larger amount than the amount of the bond."

(18) By amending section 437-29 to read as follows:

**"Sec. 437-29. Notice of hearing; discretionary powers of board.** (a) Before suspending, revoking, or refusing to renew a license, the board shall notify the licensee in writing of the specific charges against him and shall afford him an opportunity to be heard in person, or by counsel, with reference thereto. Notice of the hearing may be served in person, or by mailing the same by registered mail addressed to the address shown on the latest application for a license or amended license. No hearing shall be held less than fifteen days after notice has been so served.

(b) Where any applicant for a license or stockholder owning more than a ten percent interest in the applicant or any officer, director, trustee, employee, or partner of such applicant has been guilty of any act or omission involving personal misconduct which by this chapter is made ground for refusing to issue a license or for revoking or suspending license, such as the making of a false statement of a material fact in an application, the commission of a fraudulent act in connection with the sale or negotiation for the purpose of motor vehicles, and the like, the board shall have discretion, nevertheless, to issue the license or suspend or reject the revocation of the license, upon such reasonable conditions, including the furnishing of an additional bond not exceeding \$5,000, as to future good conduct of the applicant and other person concerned, as the

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board determines, provided the board finds:

(1) That there are extenuating circumstances which indicate that the act or omission was not due to moral turpitude; or

(2) That a reasonable time fixed by regulation of the board, not less than one year, has elapsed since the act or omission occurred, together with evidence of the person's rehabilitation or general good character, sufficient to indicate that the person is not likely to repeat the offense or engage in illegal, unlawful, or unconscionable practices; or

(3) That such favorable action by the board will not jeopardize the public interest.

(c) Denial of application for a new license. No person whose application for the issuance of a new license has been denied by the board shall be entitled to a hearing thereon, unless the person files a written request for a hearing with the board within fifteen days after the issuance of the notice of such denial.

(d) Notice to treasurer. A copy of the application of each dealer or auction executed and approved by the board or a report of the suspension, revocation, or change of status of a dealer's or auction's license shall be furnished to the treasurer promptly upon the granting, suspension, revocation, or change of status of such license.

(19) By amending section 437-39 to read as follows:

**"Sec. 437-39. Injunction by any person.** Any licensee or other person who violates or threatens to violate any provision of this chapter or rule or regulation enacted thereunder may be enjoined from committing or continuing the violation or engaging in the business under the license issued under this chapter, in action brought by the board or by any person who will be or is damaged or aggrieved by the violation or threatened violation."

(20) By amending section 437-40 by amending the phrase "sections 437-9 and 437-19" to read "section 437-7".

(21) By amending section 437-41 to read as follows:

**"Sec. 437-41. Liberal interpretation.** All provisions in this chapter shall be liberally interpreted to protect the public from fraud in the business of purchasing or selling motor vehicles and to protect the investments of its citizens in motor vehicles and dealerships and to protect the transportation system of the State and shall further be interpreted to affect existing as well as future franchise agreements."

(22) By amending the words "motor vehicle dealers licensing board" wherever they appear to read "motor vehicle industry licensing board".

**SECTION 2.** If any provision or portion thereof of this Act or the application thereof to any person or circumstances is held invalid or unconstitutional, the remainder of such provisions of this Act or the application of such provision or portion thereof to other persons or circumstances shall not be affected thereby.

**SECTION 3.** This Act shall take effect upon its approval; provided that the provisions requiring the licensing of and furnishing of bonds by manufacturers, factory branch, factory representatives, distributors, distributor

branches, distributor representatives, auctions, and auctioneers shall take effect on July 1, 1970; and provided that nothing contained in this Act shall affect the legality and effect of rules and regulations previously enacted by the boards which are not inconsistent with this Act; and provided further that all licenses issued and current on the effective date of this Act shall be valid for the remainder of the term thereof unless suspended, revoked, or terminated or unless renewal thereof is denied as provided by this Act and chapter 437, Hawaii Revised Statutes.

(Approved July 16, 1969.)

**ACT 264**

H. B. NO. 710

A Bill for an Act Relating to Public Hearings Prior to Commercial Development of Land in Conservation Zones.

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

SECTION 1. Section 183-41(1), Hawaii Revised Statutes, is hereby amended by the addition of a new sentence at the end of the subsection reading as follows: "Provided, however, the board shall hold a public hearing in every case involving the proposed use of land in a conservation zone for commercial purposes, at which hearing interested persons shall be afforded a reasonable opportunity to be heard. Notice of the time and place of the hearing shall be published in accordance with the public notice requirements of Section 183-41(3), as amended."

SECTION 2. Section 183-41(3), Hawaii Revised Statutes, should be amended by deleting the sentence at line 16 of the subsection reading: "The hearing shall be conducted by the Chairman of the Board of Land and Natural Resources or by some member or employee designated by him" and substituting "The hearing shall be a full hearing before the board, shall be held in the county in which the land is located, and may not be delegated to an agent or representative of the board as may otherwise be provided by law".

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

(Approved July 16, 1969.)

**ACT 265**

H. B. NO. 740

A Bill for an Act Relating to State-County Relations in the Area of Public Hospitals and Other Public Health and Medical Facilities. .

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

SECTION 1. Operation and maintenance of public hospitals and related public health and medical facilities.

Except as otherwise provided in section 6 of this Act, all functions pertaining to the operation and maintenance of public hospitals and other public health and medical facilities heretofore performed by the several counties on

## **ACT 265**

behalf of the State pursuant to Act 203, Session Laws of Hawaii 1967, shall hereafter be directly administered and performed by the State department or departments designated by the governor.

**SECTION 2.** Transfer of personnel. All employees of the several counties, the major portion of whose duties is in a functional area covered by section 1 of this Act, shall be transferred to the department to which the function has been assigned.

No employee transferred by this Act shall suffer any loss of salary, seniority, prior service credit, vacation, sick leave or other employee benefits or privileges as a consequence of this Act.

The counties shall not be required to transfer funds to cover the vacation credits earned or accumulated by employees transferred under this Act.

**SECTION 3.** Transfer of personal property. All records, equipment, machinery, motor vehicles, files, supplies, contracts, books, papers, documents, maps, and other personal property of every kind and description of the several counties used in the functional areas covered by section 1 of this Act shall be transferred to the appropriate department without cost to the State or reimbursement to such county, and without compliance with disposal procedures or requirements, any law to the contrary notwithstanding. The county shall prepare inventory lists and receipts to account properly for such transfer.

Any dispute as to whether particular personal property should be transferred to the State under this Act shall be determined by the director of the appropriate department.

If the department determines that any of the personal property so transferred or to be transferred is not needed by it, such property shall be returned to, or retained by, the county.

**SECTION 4.** Transfer of real property. The several counties shall convey to the State all of their respective interests in and to any real property and the improvements used in the functional areas covered by section 1 of this Act and which are directly related to and necessary for the operation and maintenance thereof. The conveyances shall be without cost to the State or reimbursement to the county, and without compliance with disposal procedures or requirements, any law to the contrary notwithstanding.

If within a period of 10 years after the effective date of this Act, any of the real property so transferred is abandoned or ceases to be used for purpose stated in the preceding paragraph, the Board of Land and Natural Resources shall by resolution declaring such abandonment or cessation as to any of the real property conveyed hereunder or any portion thereof, reconvey such realty or portion to the county from which it had originally been transferred. The provisions of this paragraph shall not apply to State lands that had been set aside for use by the county, or to real property where the major portion of the cost of the land or improvements was financed by State funds.

**SECTION 5.** Temporary use of county facilities. If any room, building, structure or other place which is owned or under the control of a county, is temporarily occupied or used by personnel or property which are related to the

performance of duties in any of the functional areas covered by section 1 of this Act, and it is impractical or disruptive to the efficient and orderly transition under this Act to relocate or move such personnel or property, then such room, building, structure or place shall continue to be so occupied and used without the payment of any rental or other charges; provided that such occupancy shall not continue beyond one year after the effective date of this Act. The State department to which the function has been transferred shall effect the physical transfer and relocation of all personnel and property at the earliest possible date.

SECTION 6. Functions reassigned to the counties. The following functions are hereby reassigned to the several counties:

- (1) ambulance and first aid services, if the county has a population of 200,000 or more;
- (2) the medical care of inmates of county jails;
- (3) the rendering of medical investigatory services requested by the police;
- (4) physical examinations of employees to the extent that such functions had been performed immediately prior to the adoption of Act 97, Session Laws of Hawaii 1965; and
- (5) the care and treatment of county workmen's compensation cases to the extent that such functions has been performed immediately prior to the adoption of Act 97, Session Laws of Hawaii 1965.

SECTION 7. County hospital managing committees. The first paragraph of Section 8 of Act 203, Session Laws of Hawaii 1967, is amended to read as follows:

"There shall be for each county general hospital a management advisory committee to consist of seven members to be appointed as hereinafter provided.

(a) Powers and duties of management advisory committee: The Committee shall be responsible to and under the director of health for advising and assisting in the carrying out of all policies of the department of health. The committee shall select its own chairman and vice chairman and may adopt such rules and regulations as it may consider necessary for the conduct of its business. As soon as practicable and not later than three months after notification by the governor, the committee shall nominate a hospital administrator. The appointment of the hospital administrator shall be made by the governor. If the committee does not nominate a hospital administrator within three months after notification, the governor shall appoint the hospital administrator.

(b) Appointment and tenure: The members of the management advisory committee shall be appointed by the governor. The members shall serve for a term of four years; provided, however, that upon the initial appointment of the members, one shall be appointed for a term of one year, two for a term of two years, two for a term of three years and two for a term of four years."

SECTION 8. Notwithstanding the adoption of Act 16, Session Laws of

## ACT 266

Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 9.** Effective date. This Act shall take effect on January 1, 1970.

(Approved July 16, 1969.)

## ACT 266

S. B. NO. 150

A Bill for an Act Relating to Hawaii State Boating Law and Amending Part II, Chapter 112, Revised Laws of Hawaii 1955, as Amended.

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

**SECTION 1.** Chapter 112, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding the following new section:

**“Section 112-45.1. Arrest or citation.** Except when required by State law to take immediately before a magistrate a person arrested for a violation of any provision of this part, including any rule or regulation adopted and promulgated pursuant to this part, any person authorized to enforce the provisions of this part, hereinafter referred to as enforcement officer, upon arresting a person for violation of any provision of this part, including any rule or regulation adopted and promulgated pursuant to this part shall, in the discretion of the enforcement officer, either (1) issue to the purported violator a summons or citation, printed in the form hereinafter described, warning him to appear and answer to the charge against him at a certain place and at a time within seven (7) days after such arrest, or (2) take him without unnecessary delay before a magistrate.

Said summons or citation shall be printed in a form comparable to the form of other summonses and citations used for arresting offenders and shall be designed to provide for inclusion of all necessary information. The form and content of such summons or citation shall be adopted or prescribed by the district courts.

The original of a summons or citation shall be given to the purported violator and the other copy or copies distributed in the manner prescribed by the district courts; provided that, the district courts may prescribe alternative methods of distribution for the original and any other copies.

Summons and citations shall be consecutively numbered and the carbon copy or copies of each shall bear the same number.

Any person who fails to appear at the place and within the time specified in the summons or citation issued to him by the enforcement officer, upon his

arrest for violation of any provision of this part, including any rule or regulation promulgated pursuant to this part, shall be guilty of a misdemeanor and, on conviction, shall be fined not more than \$1,000, or be imprisoned not more than six months, or both.

In the event any person fails to comply with a summons or citation issued to such person, or if any person fails or refuses to deposit bail as required, the enforcement officer shall cause a complaint to be entered against such person and secure the issuance of a warrant for his arrest."

**SECTION 2.** If any section, provision or clause of this Act shall be declared invalid or inapplicable to any person or circumstance, such invalidity or inapplicability shall not be construed to affect the portions not so declared, or apply to persons or circumstances not so affected. All laws or portions of laws inconsistent with the policy and provisions of this Act are hereby repealed to the extent of such inconsistency.

**SECTION 3.** Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The revisor of statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 16, 1969.)

ACT 267

S. B. NO. 545

A Bill for an Act Relating to Leases.

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

**SECTION 1.** The Hawaii Revised Statutes are hereby amended by adding thereto a new section to be appropriately numbered by the revisor of statutes and to read as follows:

**"Sec. . Lease renegotiations; calculation of rent; definition. (a)**

Whenever any agreement or document for the lease of private lands provides for the renegotiation of the rental amount or other recompense during the term of said lease and such renegotiated rental amount or other recompense is based, according to the terms of said lease, in whole or in part upon the fair market value of the land, or the value of the land as determined by its highest and best use, or words of similar import, such value, for the purposes of determining the amount of rental or other recompense, shall be calculated upon the use to which the land is restricted by the lease document.

(b) The term 'lease', 'lease agreement', or 'document' as used in this Act,

## ACT 268

means a conveyance leasing privately-owned land by a fee simple owner as lessor, or by a lessee as sublessor, to any person, for a term exceeding five years, in consideration of a return of rent or other recompense."

SECTION 2. This Act shall take effect upon its approval and shall apply to leases of privately-owned lands executed after the effective date of this Act.

(Approved July 16, 1969.)

## ACT 268

S. B. NO. 775

A Bill for an Act Relating to Motor Vehicle Registration and Amending Section 286-45 of the Hawaii Revised Statutes.

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

SECTION 1. Section 286-45 of the Hawaii Revised Statutes is amended to read as follows:

**"Section 286-45. Records of county treasurer.** The treasurer shall file each application received and register the vehicle therein described in a record or book to be kept by him under the following headings:

- (a) Vehicle registration number;
- (b) Name of owner; and
- (c) Vehicle identification number.

The treasurer may discard vehicle registration records and inactive ownership records which are more than six years old."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 16, 1969.)

## ACT 269

S. B. NO. 747

A Bill for an Act Relating to the University of Hawaii.

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

SECTION 1. The first sentence of section 36-27, Hawaii Revised Statutes, is amended to read as follows:

"Except as hereinafter provided, and notwithstanding any provisions of any other law to the contrary, there shall be deducted from time to time by the director of finance, for the purpose of defraying the prorated estimate of central service expenses of government in relation to all special funds, except the school cafeteria special funds of the department of education and the university laboratory school and the special funds of the student housing, summer session and the division of continuing education and community service of the university of Hawaii, five per cent of all receipts of each such special fund, which deduction shall be transferred to the general fund of the State and become general realizations of the State."

SECTION 2. The first sentence of section 36-30, Hawaii Revised Stat-

utes, is amended to read as follows:

"Each special fund, except the school cafeteria special funds of the department of education and the university laboratory school and the special funds of the student housing, summer session and the division of continuing education and community service of the university of Hawaii, shall be responsible for its pro rata share of the administrative expenses incurred by the department responsible for the operations supported by the special fund concerned."

**SECTION 3.** All laws and parts of laws heretofore enacted which are in conflict with the provisions of this Act are hereby amended to conform here-with. All acts passed during this general session 1969, whether enacted before or after passage of this Act shall be amended to conform to this Act, unless such acts specifically provide that this Act is being amended.

**SECTION 4.** This Act shall take effect upon its approval.

(Approved July 16, 1969.)

## ACT 270

S. B. NO. 607

A Bill for an Act Relating to the Relief of Certain Persons' Claims against the State and Providing Appropriations Therefor.

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

**SECTION 1.** The following respective sums of money are hereby appropriated out of the general revenues of the State of Hawaii for the purpose of reimbursing the following named persons, firms, and corporations for overpayment of taxes or an account of other claims against the State in the amount set opposite their respective names:

### Section 37-6 Hawaii Revised Statutes

REFUND OF REAL PROPERTY TAXES	DIVISION	AMOUNT
Akamine, Dora S.....	First	\$ 49.89
Akima, John, Jr.....	First	47.65
Char, Lam Oi .....	First	429.58
McInerny, E. Herbert, et al.....	First	2,340.36
Oka, Wilfred M.....	Second	64.64
Saga Food Service of Hawaii, Inc.....	First	3,591.18
Sylva, Louis R.....	First	53.82
<del>Wilson, Willard.....</del>		<del>-544.16</del>
		[Vetoed J.A.B.]

### Section 37-6 Hawaii Revised Statutes

OUTLAWED WARRANTS AND ESCHEATED ACCOUNTS	NUMBER	AMOUNT
Akamine, James & Jean .....	S-207616	\$ 63.46
Ansai, Toshio .....	S-132797	20.88
Belden, Arvord W.....	G-115866	25.20
Betsui, George (Estate of).....	P-037565	246.96
Betsui, George (Estate of).....	P-281957	986.53
Boyd, James H. & Florence K.....	S-196908	73.94
Boynton, Anthony B.....	G-014857	10.40
Brewster, Pauline .....	G-114321	10.40

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OUTLAWED WARRANTS AND ESCHEATED ACCOUNTS	NUMBER	AMOUNT
Brown, Andrew B.....	S-222638	32.70
Chang, Donald & Jessnie .....	S-121932	117.07
Chang, Marcus W. H.....	S-204753	51.17
Ching, Wallace Y. & Kathleen K.....	S-165164	3.53
Coelho, Angeline E. K.....	T-004971	3.00
Coelho, Angeline E. K.....	T-008467	3.00
Coelho, Angeline E. K.....	T-010347	3.00
Coelho, Angeline E. K.....	T-012563	3.00
Coelho, Angeline E. K.....	T-015745	3.00
Coehlo, Angeline E. K.....	T-017678	9.00
Decker, Richard W. & Joy T.....	S-178692	36.53
De Queljoe, David H.....	P-148362	79.92
Dias, William, Sr. & Adeen .....	S-150009	27.57
Dieter, Orzessek .....	S-147900	24.52
Domingo, Joseph M. & Genevieve .....	S-135692	62.48
Drena, William J.....	S-175969	19.97
Duarte, James K.....	S-211486	21.58
Dickerson, Donald E. & Patricia B.....	S-202228	171.74
Ferguson, Thomas D. II .....	S-159867	68.42
Fernandes, Victoriano .....	W-041921	71.75
Fowler, Owen G., Jr. & Josephine P.....	S-008626	106.31
Frakes, Donald H. & Cherie H.....	S-220320	129.18
Gomes, Donald H. & Mary M.....	S-157230	25.91
H & D Distributors .....	G-104805	168.75
Higa, Ryoei & Nancy .....	S-180354	69.00
Hirokane, Arnold H.....	S-030595	50.00
Ikeda, Stanley M. & Marie M.....	S-165690	39.26
Inter Island Travel Service, Ltd.....	G-031218	1,327.20
Johnson, Carl, Jr. & Doris .....	S-002319	66.51
Kanetsuna, Hideo .....	G-090694	12.74
Kaopuiki, David K. & Helen .....	S-171502	16.19
Kashiwai, Kane & Fukujiro .....	S-163620	36.00
Kishaba, Kamezo & Kikuyo .....	S-147921	21.60
Kishinami, Paul Y. & Helene K.....	S-217376	78.68
Kotada, Akio .....	G-030038	53.14
Kotada, Akio .....	G-035956	51.43
Lau, Elizabeth K. S.....	P-342848	520.47
Lau, Elizabeth K. S.....	P-200277	187.41
Lau, Elizabeth K. S.....	P-192087	266.12
Lau, Elizabeth K. S.....	P-176862	266.14
Lau, Elizabeth K. S.....	P-164847	214.52
Li, Lawrence B.....	S-162176	82.51
Ace Collectors a/c Virginia Keaulana .....	G-206991	22.40
Ace Collectors a/c Virginia Keaulana .....	G-195697	22.40
Ace Collectors a/c Virginia Keaulana .....	G-217508	22.40
Ace Collectors a/c Virginia Keaulana .....	G-228864	22.40
Ace Collectors a/c Virginia Keaulana .....	\$25.90	G-111951
Ace Collectors a/c John Nakoa .....	27.80	G-111951
Ace Collectors a/c Virginia Keaulana .....	25.90	G-122553
Ace Collectors a/c John Nakoa .....	27.64	G-122553
Ace Collectors a/c Virginia Keaulana .....	19.56	G-133327
Ace Collectors a/c John Nakoa .....	27.80	G-133327
Ace Collectors a/c John Nakoa .....	27.80	G-144551
Ace Collectors a/c Charles Thompson .....	23.08	G-144551
Ace Collectors a/c John Nakoa .....	G-166841	20.52
Ace Collectors a/c Charles Thompson .....	G-189752	29.80

OUTLAWED WARRANTS AND ESCHEATED ACCOUNTS	NUMBER	AMOUNT
Ace Collectors a/c Charles Thompson .....	G-200294	29.80
Ace Collectors a/c Charles Thompson .....	G-223350	29.80
Ace Collectors a/c Charles Thompson .....	G-238056	24.87
Ace Collectors a/c Charles Thompson .....	G-249422	29.80
Ace Collectors a/c Charles Thompson .....	G-261893	29.80
Ace Collectors a/c Charles Thompson .....	G-273486	11.51
Lorenzo, Venancio .....	S-191797	6.30
Low, Clement C. L. ....	T-006591	6.42
Maeshiro, Godfrey .....	S-146929	15.90
Sakamoto, Paul M. ....	P-235770	46.80
Soares, Clifford J. ....	S-209081	18.57
McCool, Gladys F. ....	S-153082	20.00
McCool, Gladys .....	S-012765	16.59
Nakagama, Jean Y. ....	P-263205	120.74
Nelson, Louis J. ....	S-087412	7.57
Nishizawa, Gary K. ....	S-081687	32.80
Ono, Andrew S. ....	G-095654	66.10
Phillips, Henry J. & Elsie .....	S-202495	71.29
Phillips, Robert E., Jeannette T. ....	S-130117	864.90
& Hilo-Honolulu Land Co., Ltd.		
Phillips, Robert K., Tempy M., ....	S-204321	761.90
& Hilo-Honolulu Land Co., Ltd.		
& Marine Finance Ltd.		
Rhundow, Cherie R. ....	S-204240	34.73
Rizzuta, Thomas (Estate of) .....	S-073427	1.73
Rogers, Carolyn K. ....	S-212160	29.39
Rombaoa, Albert .....	S-199395	69.69
Rua, Terii .....	T-007276	28.31
Sakata, Marilyn .....	P-345000	241.44
Seinerton & Walberg Co. ....	T-006852	25.00
Shimabukuro, Rinsei & Kami .....	S-087474	26.72
Shrestha, Hari Bahadur .....	S-222634	25.36
Sone, Fujio .....	S-115989	31.92
Sousa, Joseph A. & Marie G. ....	S-031861	10.80
Suga, Kathleen K. ....	S-162340	9.46
Tacderas, Mariano (Estate of) .....	S-191901	59.87
Takeda, Walter N. ....	S-017151	8.00
Taniguchi, Eddie .....	G-254186	74.00
Taylor, George H. & Gwendolyn H. ....	S-198006	72.00
Variety Wares, Inc. ....	S-57299	344.00
Watanabe, Manabu & Chiyoko .....	S-109611	1.88
Williams, Dorothy D. ....	S-223787	79.22
Wyatt, Clarence A., Jr., & Janet W. ....	S-220937	70.26
Yamamoto, Herman H. & Kimiko .....	S-163437	21.06
Yanagi, Kyozu & Miyano .....	S-219760	143.16
Yap, Margaret Y. ....	G-129813	11.50

## Section 37-6 Hawaii Revised Statutes

ESCHEATED BANK AND SAVINGS ACCOUNTS	AMOUNT
Lim Kyung Shun .....	30.84
Bank of Hawaii, Hilo Branch .....	
Savings Account No. 29525 .....	

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Penera, Amancio Palmones.....	200.36
Honolulu Savings & Loan Company	
Savings Account No. 15504	
Turner, Burr V. & Virginia P., Trustees.....	238.29
Bank of Hawaii	
Savings Account No. 183137	

**Chapter 234 Hawaii Revised Statutes**

NATURAL DISASTER LOSSES	DIVISION	AMOUNT
Lalakea, Mollie P.....	Third	\$ 153.87
<b>Section 662-11 Hawaii Revised Statutes</b>		
<b>COMPROMISED CLAIMS</b>		
Alexander, Denis D.		<b>AMOUNT</b>
Damage to 1968 Buick — right rear fender and chrome trim.....	\$	68.12
Barden, Mickey (Mrs.)		
Damage to car.....		81.16
Cdr. E. J. Clarke, Jr.		
For damages resulting from the death of his dog on or about September 12, 1967 at the Ala Moana State Animal Quarantine Station.....		175.00
Eustaquio, Dorothy		
Reimbursement for damages to her car sustained on the campus at Aiea Elementary School on November 27, 1968.....		90.66
Hawaiian Insurance & Guaranty Co., Ltd.		
Subrogee of the rights of Mr. Sing Lum, for damage to Mr. Lum's car suffered on October 19, 1968 at the University of Hawaii.....		205.50
Iwanaga, Florence K. (Mrs.)		
Damage to car.....		45.92
Joy, Ella Mae		
Damage to her clothing.....		6.88
Liu, Yo-Ko (Miss)		
For accidental injuries sustained in a classroom at the University of Hawaii .....		114.00
Lees, Virgil		
Damages to automobile .....		334.07
Luciani, Frank J.		
Tar splattered side, lights, chrome and interior of car.....		20.00
Lum, Esther (Mrs.)		
Injury on her toe.....		20.80
McCormack, T. F.		
Damage to car.....		44.75
Oh, Wesley C.		
Damages to his father's car suffered on January 9, 1969 at the University of Hawaii .....		150.00
Reisinger, Bryna R. (Mrs.)		
Damages to her 1965 Volkswagen.....		20.00
Rogers, Burt N.		
Damage to Christmas Berry tree.....		50.00
Toyama, Eishii		
Damage to car.....		111.99
Takushi, James H.		
Damage to his car suffered on November 14, 1968 at the University of Hawaii .....		8.38
Wall, Leilani (Miss)		
Damage to her car suffered on December 13, 1968 at the University of Hawaii .....		15.60
Major David S. Wissmar		
Damage to car.....		17.32
Aoki, Grace S. (Mrs.)		
Damage to automobile radio antenna.....		46.23
Bowles, William S.		
Injury to right hand.....		38.64

Itamoto, James M.		
Damage to trousers.....		15.00
Ho Lam, Veronica B.		
Lost hairpiece at Honolulu Community College.....		75.00
Pang, Phyllis N. L. (Miss)		
Damage to automobile radio antenna.....		8.25

## Section 661-11 Hawaii Revised Statutes

## CLAIMS COVERED BY INSURANCE

Murray, Arthur E.

For damages resulting from the death of his dog on or about July 5, 1968      150.00

## MISCELLANEOUS CLAIMS

## AMOUNT

Beckstrom, William E.		
Interest at 4 per cent from February 2, 1967, the date of notice and entry of judgment, through May 7, 1968, the date that the funds became available. Civil No. 13557, William E. Beckstrom vs. University of Hawaii and the State of Hawaii.....	\$	100.82
Dias, Frances		
Against the State of Hawaii in Civil No. 11848.....		8,400.00
France, John A. & Beverly L.		
Satisfaction of the judgment in Civil No. 746, John A. France, et ux. v. State of Hawaii .....		2,318.10
Joao, Richard		
Compensation for personal injuries sustained while working at Oahu Prison where he was an inmate.....		9,686.00
Kauikeolani Children's Hospital		
Rehabilitation Center of Hawaii.....		10,000.00
Kidney, James W., Jr.		
Compromise on Civil No. 15006 Accidental injuries sustained in 1962 while participating in an agricultural class project in a public school operated by the Department of Education.....		500.00
Kierr, Robert M.		
Satisfaction of the judgment in Civil No. 388, Kierr v. State.....		2,000.00
Loque, Roseline		
Individually and as guardian ad litem for Ronald Loque, a minor; Paul K. Y. Asato; Helen L. K. Waiolama; Joseph Leroy Sayas; Lilia A. Sayas; Francis Taracatac; and Gerardo Lucas, Individually and as guardian ad litem for Lodrido D. Lucas vs. State of Hawaii and City and County of Honolulu .....		10,000.00
Yolie N. & Ross Miller		
Satisfaction of the judgment in Civil No. 15352, Yolie N. Miller and H. Ross Miller vs. City and County of Honolulu.....		3,949.55
Saito, Raymond		
Satisfaction of the judgment in Civil No. 19469, Raymond Saito, et al. v. State of Hawaii.....		427.92
Davidson, James J.		
Loss of a house and goods destroyed by fire.....		5,000.00

SECTION 2. The sums hereinabove appropriated shall be paid upon warrants issued by the comptroller of the State upon vouchers approved by the director of the state department of taxation in the several amounts and to the respective persons hereinabove set out, as to said claims for taxes, and shall be paid upon warrants issued by said comptroller upon vouchers approved by the director of the department of budget and finance as to all other claims.

SECTION 3. If any portion of this Act or its application to any circumstances or person is held invalid for any reason, the remainder thereof shall not be affected thereby.

## ACT 271

SECTION 4. This Act shall take effect upon its approval.

(Approved July 16, 1969.)

**ACT 271**

S. B. NO. 313

A Bill for an Act Giving Preference to Temporary Employees in Filling Permanent Civil Service Positions.

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

SECTION 1. This Act shall relate only to those temporary, contractual, or provisional employees employed by the State in the department of transportation or the department of land and natural resources to work on public improvements under provisions of Act 30, Session Laws of Hawaii 1962; Act 201, Session Laws of Hawaii 1963; Act 52, Session Laws of Hawaii 1964; Act 195, Session Laws of Hawaii 1965; Act 38, Session Laws of Hawaii 1966; Act 217, Session Laws of Hawaii 1967; and Act 40, Session Laws of Hawaii 1968.

SECTION 2. To qualify for coverage under the provisions of this Act, an employee shall have been hired prior to December 31, 1968 and shall have worked continuously since that date except for approved leaves of absence, either with or without pay. Effective July 1, 1969, each employee covered by this Act shall have his exempt or limited term appointment converted to permanent civil service status without examination and he shall be accorded all the rights, benefits and privileges attributable thereto, retroactive to the date of his original exempt or limited term appointment. Such rights and privileges shall include seniority, prior service credit for retirement purposes, vacation and sick leave credits and any other rights and privileges accorded employees with civil service status. An employee so converted shall not suffer a reduction in his pay rate.

SECTION 3. In staffing new capital improvement projects, employees granted permanent civil service status by this Act shall be utilized to the maximum extent possible before temporary employees may be hired.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 16, 1969.)

**ACT 272**

H. B. NO. 829

A Bill for an Act Relating to Traveling Expenses of State Officials.

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

SECTION 1. Section 78-15, Hawaii Revised Statutes, is hereby amended to read as follows:

**“Section 78-15. Traveling expenses of state officials.** A state official or representative while traveling abroad on state official business shall be allowed \$30 a day, which amount is to cover all personal expenses, such as board,

lodging, etc., but not fares for transportation; provided that a rate in excess of \$30 per day but not more than \$40 may be allowed, upon application to and approval by the governor. The comptroller shall issue a warrant payable to the official for the purpose, at the authorized rate, from the date of his departure to the date of his return upon being furnished by the official with a certified statement setting forth the time of absence."

**SECTION 2.** This Act shall take effect upon its approval.

(Approved July 25, 1969.)

**ACT 273**

**H. B. NO. 1125**

**A Bill for an Act Relating to Collection Agencies.**

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

**SECTION 1.** Section 171A-1 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding a new sub-paragraph following sub-paragraph (d) (2) to be appropriately numbered and to read as follows:

"( ) Any person who regularly accepts the assignment of claims or money due on accounts or other forms of indebtedness and brings suits upon such assigned claims or money due on accounts or other forms of indebtedness in his own name, provided, that any such suits shall be initiated and prosecuted by an attorney who shall have been appointed by the assignor.

**SECTION 2.** Section 171A-18.5 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding the following at the end thereof:

"All attorney fees or commissions collected by a licensee shall be remitted to the attorney and no portion of said collection shall be retained by the licensee."

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

(Approved July 25, 1969.)

**ACT 274**

**S. B. NO. 543**

**A Bill for an Act Relating to Taxation and Amending Chapters 235, 237 and 238 of the Hawaii Revised Statutes.**

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

**SECTION 1.** Section 235-102 of the Hawaii Revised Statutes is amended by deleting the word "five" appearing in subsection (a) and substituting in lieu thereof the word "three".

**SECTION 2.** Section 235-111 of the Hawaii Revised Statutes is amended by deleting the word "five" appearing in subsections (a) and (b) and substituting in lieu thereof the word "three".

## **ACT 275**

**SECTION 3.** Section 237-40 of the Hawaii Revised Statutes is amended by deleting the word "five" wherever it appears in subsections (a) and (d) and substituting in lieu thereof the word "three".

**SECTION 4.** Section 237-41 of the Hawaii Revised Statutes is amended by deleting the word "five" appearing therein and substituting in lieu thereof the word "three".

**SECTION 5.** Section 238-9 of the Hawaii Revised Statutes is amended by deleting the word "five" appearing therein and substituting in lieu thereof the word "three".

**SECTION 6.** This Act shall take effect upon its approval except that it shall not be applicable or be deemed prejudicial to any action initiated by the State prior to the effective date of this Act.

(Approved July 24, 1969.)

## **ACT 275**

S. B. NO. 910

A Bill for an Act Making an Appropriation to Conduct a Study of the Functions, Objectives, Programs, and Problems and Alternative Solutions of the Department of Hawaiian Home Lands.

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

**SECTION 1.** The purpose of this Act is to appropriate necessary funds to evaluate the present programs, fiscal policies, the objectives and goals of the department and to determine long-range programs and objectives of the department of Hawaiian home lands so that the department may function more efficiently, effectively, and economically in order to benefit the Hawaiian people of the State.

**SECTION 2.** There is appropriated out of the general revenues of the State of Hawaii the sum of \$90,000, or so much thereof as may be necessary, to be expended by the office of the governor, for the purpose of this Act; provided that:

(1) The governor, in cooperation with the department of Hawaiian home lands, may contract the services of competent and qualified consultants or firm for the purposes herein;

(2) The findings and recommendations shall be reported to the Legislature before the convening of the Regular Session of 1971, Sixth Legislature of the State of Hawaii; and

(3) The various public and private agencies connected with the welfare of the Hawaiian people shall be involved, as may be necessary or desirable, in the conduct of this study.

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

(Approved July 24, 1969.)

A Bill for an Act Relating to Issuance of Securities by Public Utilities Corporations.

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

SECTION 1. Section 269-17 of the Hawaii Revised Statutes is amended by adding the following sentences after the first sentence:

“As used herein, ‘property’ and ‘facilities’ mean property and facilities used in all operations of a public utility corporation whether or not included in its public utility operations or rate base. A public utility corporation may not issue securities to acquire property or to construct, complete, extend or improve or add to its facilities or service if the commission determines that the proposed purpose will have a material adverse effect on its public utility operations.”

SECTION 2. This Act shall take effect upon its approval.

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

A Bill for an Act Relating to Employment Security.

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

SECTION 1. Section 383-63, Hawaii Revised Statutes is amended by adding thereto the following:

“(5) ‘Benefit cost rate’ means the rate derived by dividing the total net benefits paid to all individuals during a twelve-consecutive-calendar-month period by the total remuneration paid by all employers with respect to employment for which contributions are payable during the last four completed calendar quarters ending at least five months before the end of the twelve-consecutive-month period. ‘Remuneration’, as used in this paragraph, means wages as defined in section 383-10.

“(6) ‘Adequate reserve fund’ means an amount which is equal to one and one-half times the amount derived by multiplying the benefit cost rate which is the highest during the ten-year period ending on November 30 of each year by the total remuneration paid by all employers, with respect to all employment for which contributions are payable during the last four calendar quarters ending on June 30 of the same year, as reported on contribution reports filed on or before October 31 of the same year. ‘Remuneration’, as used in this paragraph, means wages as defined in section 383-10. For the purpose of determining the highest benefit cost rate, the benefit cost rate for the first twelve-consecutive-calendar-month period beginning with the first day of the first month of the ten-year period and for each succeeding twelve-consecutive-calendar-month period beginning with the first day of each subsequent month shall be computed.

## ACT 277

"(7) 'Current reserve fund' means the total assets of the fund available for the payment of benefits on November 30 of each year (exclusive of all monies credited under section 903 of the Social Security Act to the account of this State in the unemployment trust fund which have been appropriated for expenses of administration whether or not withdrawn from the trust fund).

"(8) 'Reserve balance' means the difference between all contributions paid by an employer and credited to his account for all periods before January 1 (including those paid before February 1 of the same year with respect to wages paid by him before January 1 of the same year) and the total benefits chargeable to his account for all periods before January 1 of the same year."

SECTION 2. Section 383-67, Hawaii Revised Statutes is amended to read:

**Section 383-67. Reserve ratio.** For the calendar year 1970 and for each calendar year thereafter, an employer's reserve ratio shall be determined by dividing the employer's most recent reserve balance by his most recent average annual payroll. The ratio shall be rounded to the nearest ten-thousandths."

SECTION 3. Section 383-68, Hawaii Revised Statutes is amended to read:

**"Section 383-68. Contribution rate schedules; rates based on experience.** (a) Before December 31 of each year the contribution rate schedule applicable for the following calendar year shall be determined on the basis of the relationship between the most recent current reserve fund and the most recent adequate reserve fund. If the current reserve fund is less than the adequate reserve fund, contribution rate schedule I in this section shall apply; if the current reserve fund equals or exceeds the adequate reserve fund but is less than 1.5 times the adequate reserve fund, contribution rate schedule II in this section shall apply; and if the current reserve fund equals or exceeds 1.5 times the adequate reserve fund, contribution rate schedule III in this section shall apply. If, however, the total assets of the fund available for the payment of benefits at the end of a calendar year are \$13,000,000 or more but less than \$15,000,000, the applicable contribution rate schedule for the following calendar year shall be contribution rate schedule I, and if the assets are less than \$13,000,000 at the end of the calendar year, this section shall not apply during the following calendar year.

"(b) Subject to the requirements of sections 383-63 to 383-67 and 383-69, an employer's contribution rate for a calendar year shall be that rate which appears on the same line as his reserve ratio for the year in the contribution rate schedule applicable for the year.

### CONTRIBUTION RATE SCHEDULE

Employer Reserve Ratio	Schedule I	Contribution Rate Schedule II	Contribution Rate Schedule III
.1000 or more	.8 per cent	.4 per cent	.2 per cent
.0950 - .0999	1.0 per cent	.6 per cent	.4 per cent
.0900 - .0949	1.2 per cent	.8 per cent	.6 per cent

Employer Reserve Ratio	Schedule I	Contribution Rate Schedule II	Schedule III
.0850 - .0899	1.4 per cent	1.0 per cent	.8 per cent
.0800 - .0849	1.6 per cent	1.2 per cent	1.0 per cent
.0750 - .0799	1.8 per cent	1.4 per cent	1.2 per cent
.0700 - .0749	2.0 per cent	1.6 per cent	1.4 per cent
.0650 - .0699	2.2 per cent	1.8 per cent	1.6 per cent
.0600 - .0649	2.4 per cent	2.0 per cent	1.8 per cent
.0550 - .0599	2.6 per cent	2.2 per cent	2.0 per cent
.0500 - .0549	2.8 per cent	2.4 per cent	2.2 per cent
.0450 - .0499	2.8 per cent	2.6 per cent	2.4 per cent
.0400 - .0449	2.8 per cent	2.8 per cent	2.6 per cent
.0350 - .0399	2.8 per cent	2.8 per cent	2.8 per cent
Less than .0350	3.0 per cent	3.0 per cent	3.0 per cent

SECTION 4. This Act shall take effect upon its approval.

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

### ACT 278

H. B. NO. 33

A Bill for an Act Relating to Resident and Nonresident Tuition and Other Fees of the University of Hawaii and Amending Chapter 304 of the Hawaii Revised Statutes.

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

SECTION 1. Section 304-4 of the Hawaii Revised Statutes is amended by amending the second paragraph to read as follows:

"The board may charge a resident tuition fee of not more than \$170 per academic year for regular courses of instruction; provided that the tuition fee for nonresident students, both undergraduate and graduate, shall be not less than four times the tuition fee for resident students, but in no event less than \$680. The board may also charge other fees for special programs of instruction, as well as laboratory fees or course fees or fees for student activities, each of which shall be the same for resident and nonresident students. The board may charge other fees for summer session or evening courses, including differential fees for nonresident students. The nonresident tuition differential shall not be applicable to nonresident students who were enrolled at the university during the fall or spring semester of the 1968-1969 school year, as long as the nonresident students continue to be enrolled at the university as regular students during the next and subsequent academic years, except where such continued enrollment is prevented for good cause as may be determined by the board of regents, nor to nonresident students who are residents of a state or foreign country which permits Hawaii residents to pay resident tuition fees while attending public institutions of higher learning in such state or foreign country, nor to nonresident United States military personnel stationed in Hawaii on active duty and their authorized dependents during the period such personnel are stationed in the State, nor to students from any district, commonwealth, terri-

## **ACT 279**

tory, or insular jurisdiction, state, or nation which does not provide public institutions of higher learning, nor to employees of the University, their spouses and dependents. The board may waive entirely or reduce the tuition fee or any of the other fees for any students, resident or nonresident, who are well qualified or in need of financial assistance, not exceeding 400 in number. The board may waive entirely or reduce the tuition fee or any of the other fees for graduate teaching and research assistants. The board may enter into agreements with government and university officials of any other state or foreign country to provide for reciprocal waiver of the nonresident tuition differential.

The board shall adopt the necessary rules and regulations defining residence for tuition purposes herein; provided that the basic rule shall be that adult and minor students are resident students if the adult students, or in the case of minor students, their parents or guardians, have been bona fide residents of this State for at least twelve consecutive months next preceding their first registration at the university."

**SECTION 2.** The board of regents may expend such funds as may be necessary to properly implement the provisions of this Act from tuition differential realized in fiscal years 1969-1970.

**SECTION 3.** This Act shall take effect on September 1, 1969; except for graduate teaching and research assistants, for whom this Act shall take effect on September 1, 1970.

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

## **ACT 279**

**H. B. NO. 718**

**A Bill for an Act Relating to Motor Vehicles Automobile Warranties and the Premature Expiration of Coverage Due to Over-Registration of Odometers.**

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

**SECTION 1.** Purpose. The purpose of this Act is to provide the consumer factual knowledge respecting the accuracy of the mileage indicator (odometer) and rate indicator (speedometer) on new and used motor vehicles, introduced for sale, held for sale, offered for sale, or sold in the State of Hawaii.

**SECTION 2.** Findings and intent. The legislature finds that automobile manufacturers have historically supplied vehicles with speed meters and mileage meters that over-register, thereby indicating that the vehicle is traveling faster than it actually is and that it has traveled farther than it actually has.

The legislature also finds that most new equipment odometers are accurate within commercial requirements but that, when they are installed in vehicles, they over-register an average of five per cent which is beyond legal commercial tolerance. Such practice fraudulently misleads the consumer into believing that he is getting better gasoline mileage than he actually is, and that he has a valid warranty as stated in his contract. The effect of a ten per cent

fast odometer reduces a 50,000 mile warranty to 45,000, and twenty miles per gallon to eighteen.

It is the intent of this Act, that all vehicles be required to represent miles traveled within the accuracy requirements established by the National Bureau of Standards for commercial odometer applications.

**SECTION 3. Definitions.** As used in this Act:

(1) "Certificate of accuracy" means a written warranty, limited to and defining a single specific entity, and attesting to and defining the accuracy of that entity.

(2) "Director" means the director of weights and measures.

(3) "Endorsement" means an entry, made upon a certificate of accuracy, which shall include the exact vehicle odometer reading in terms of miles and tenths of miles.

(4) "Error" means the difference between the indicated and the true standard.

**SECTION 4. Certificate requirement.** Irrespective of any other general or specific law, regulation, or ordinance pertaining to motor vehicles or their registration, inspection, fees, taxes, or licensing, no person shall introduce into the State for sale, hold for sale, offer for sale, sell, or resell, including barter or exchange, any motor vehicle unless the vehicle is equipped with an operable mileage measuring device, and the measuring device is described in detail on the manufacturer's accompanying certificate of accuracy. The certificate of accuracy shall be in a form approved by the attorney general and shall contain an endorsement reflecting the condition of accuracy of the odometer, the exact odometer reading in miles to the nearest one-tenth mile, and the odometer error in terms of the percentage fast or slow and in feet-per-mile.

**SECTION 5. Verification sampling.** For purposes of verifying the certificate of accuracy, the director shall establish regulations whereby a lot of motor vehicles of a given year and make, may be approved or rejected on the basis of random sampling techniques. Such regulations shall not preclude one-hundred per cent sampling if given condition warrants such action.

**SECTION 6. Fees.** Every motor vehicle to be tested shall be assessed the verification fee whether approved or rejected, and irrespective of the method of such determination. Every motor vehicle rejected shall be corrected and again subject to a verification fee and test. The director shall, by regulation, establish a schedule of fees for verification and such schedule may reflect an increased fee for each subsequent verification test after initial rejection.

**SECTION 7. Replacement certificate.** The director may issue a replacement certificate in lieu of the original certificate of accuracy when such action is necessary to allow the parties involved to consummate a transfer of title of a particular vehicle. A replacement fee shall be charged in the amount of \$10, payable to the general fund of the State.

**SECTION 8. Record of verification.** The director shall maintain a facsimile file of all certificates of accuracy and replacement certificates of accu-

## **ACT 280**

racy for a period of at least three years. The copies shall be progressively numbered, excluding replacement copies, and the director shall provide means to assign the same number to the original copy upon verification test and approval.

**SECTION 9.** Penalties. Any person who violated this Act or who knowingly, willingly, or intentionally falsifies a certificate of accuracy by entry of false or erroneous data, information, endorsement, or error, or in any other way, shall be fined not less than \$100 or more than \$500.

**SECTION 10.** There is hereby appropriated out of the general revenues of the State of Hawaii the sum of \$7500, or so much thereof as may be necessary, to be expended by the department of agriculture for the purposes of the Act.

**SECTION 11.** This Act shall take effect upon its approval and shall apply to all vehicles of model year 1969 or later.

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

## **ACT 280**

S. B. NO. 605

A Bill for an Act Relating to Printing of Statutes.

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

**SECTION 1.** Section 2-7 of the Hawaii Revised Statutes is amended to read:

“ **§2-7. Printing: contracts.** The revisor shall cause sufficient copies of the session laws and supplements to be printed. The revisor may contract for such publications with or without regard to the laws governing public contracts or public printing. The completed volumes of the session laws and supplements shall be delivered to the lieutenant governor for distribution.”

**SECTION 2.** Material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.

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

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

## **ACT 281**

S. B. NO. 1082

A Bill for an Act Amending Section 171-50, Hawaii Revised Statutes, Relating to Exchanges of Public Lands.

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

**SECTION 1.** Section 171-50(b) of the Hawaii Revised Statutes is hereby

amended by adding at the end thereof a new sentence to read as follows:

“Provided, further, that when public lands are exchanged for private lands for a public purpose which private lands are classified for intensive agricultural use, the board shall first determine the agricultural productivity of the private lands and, whenever and wherever possible, exchange so much public lands as shall be sufficient to approximate or equal the productivity of the private lands so acquired by the State.”

**SECTION 2.** This Act shall take effect upon its approval.

(Became law July 30, 1969, without Governor's signature pursuant to State Constitution, Art. III, §17.)

## **PROPOSED CONSTITUTIONAL AMENDMENT**

**S. B. NO. 170**

A Bill for an Act Proposing an Amendment to Article II, Section 1, of the Constitution of the State of Hawaii to Change the Age Qualification for Voting.

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

**SECTION 1.** The purpose of this Act is to propose an amendment to Article II, section 1, of the Constitution of the State of Hawaii to lower the age qualification for voting from twenty to eighteen.

**SECTION 2.** Article II, section 1, of the Constitution of the State of Hawaii is amended to read as follows:

“Section 1. Every citizen of the United States, who shall have attained the age of eighteen years, have been a resident of this State not less than one year next preceding the election and be a voter registered in accordance with law, shall be qualified to vote in any state or local election.

**SECTION 3.** This amendment shall take effect upon compliance with Article XV, section 3, of the Constitution of the State of Hawaii.

(Passed third reading in the Senate on May 7, 1969, and in the House of Representatives on May 13, 1969.)

# **TABLES SHOWING EFFECT OF ACTS**

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## **GENERAL INDEX**

**TABLES SHOWING EFFECT OF ACTS**  
**FIFTH LEGISLATURE, REGULAR SESSION OF 1969**  
**STATE OF HAWAII**

Key: Am = Amended  
 N = New  
 R = Repealed  
 Ren = Renumbered

\_\_\_\_\_ = Section number to  
 be assigned by  
 Revisor in Supplement

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