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DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
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April 2, 2025
10:01 A.M.
State Capitol, Room 211

**H.B. 1156, H.D. 1
RELATING TO SPECIAL FACILITY REVENUE BONDS**

Senate Committee on Ways and Means

The Department of Transportation (DOT) **supports** this measure that increases the ceiling for special facility revenue bonds that may be issued by the Department of Transportation for harbor improvements.

Special facility revenue bonds expedite certain projects at commercial harbor facilities and increase project efficiencies. The department seeks to increase the maximum amount of special facility revenue bonds it may issue as it has experienced escalating project costs due to inflation and rising costs of materials and labor. Future projects that would use special facility revenue bonds are large in scope and scale and will require funding above the existing limit, which was last increased to \$100,000,000 in 1993. These projects may include new port infrastructure to support renewable energy projects. The increased ceiling will facilitate improved project delivery given these higher costs.

Thank you for the opportunity to provide testimony.



AUKAHI
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**TESTIMONY OF AUKAHI ENERGY
BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
April 2, 2025 10 A.M. State Capitol, Room 211**

**IN SUPPORT OF H.B. 1156, H.D.1
RELATING TO SPECIAL FACILITY REVENUE BONDS**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

Aukahi Energy **supports** H.B. 1156 H.D. 1, which increases the ceiling for special facility revenue bonds issued by the Department of Transportation for harbor improvements.

Upgrading Hawaii's port infrastructure is a key step in advancing the state's clean energy transition, as it supports the efficient handling, storage, and movement of renewable energy technologies. Raising the bond limit will enable vital investments in infrastructure needed for offshore wind, battery systems, and hydrogen fuel projects. With increasing costs for materials and labor, timely action is essential.

This bill also contributes to climate resilience by helping prepare for sea level rise and other environmental impacts, while reinforcing Hawaii's commitment to a clean energy future.

Thank you for the opportunity to provide testimony.

Sincerely,
Lydia Lohan
CEO Aukahi Energy LLC



Testimony for HB1156 HD1, Relating to Special Facility Revenue Bonds

Senate Committee on Ways & Means
April 2, 2025

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee,

The Hawaii Harbors Users Group is in strong **support** of HB1156 HD1, Relating to Special Facility Revenue Bonds.

The Hawaii Harbors Users Group supports this measure because it increases the total principal amount of special facility revenue bonds that the Department of Transportation can issue for harbor improvements. This bill enables necessary infrastructure upgrades that support maritime operations, ensuring efficient and modern facilities that accommodate growing commercial and passenger traffic.

By expanding funding capabilities through special facility revenue bonds, HB1156 HD1 allows the state to improve and maintain critical harbor infrastructure without relying on general taxpayer funds. This approach benefits businesses, residents, and the broader community which depend on reliable harbor operations while promoting economic development and job creation in Hawaii's maritime sector.

Additionally, this bill enhances the state's ability to partner with private entities for the development and maintenance of specialized harbor facilities. Such public-private collaborations lead to faster, more efficient project completion, ultimately strengthening Hawaii's transportation network and maritime commerce.

Mahalo for the opportunity to testify in strong support of this bill.