### A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

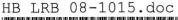
- 1 SECTION 1. The legislature finds that it is in the public
- interest to encourage the development of facilities to convert 2
- renewable energy resources into electrical energy to be made 3
- available for consumption by the general public. 4
- 5 The legislature further finds that Hui Mana 'Oma'o is
- engaged in the development of facilities to convert potential 6
- 7 renewable energy resources into electrical energy to be made
- available for consumption by the general public. 8
- 9 development of facilities for this purpose is urgently needed on
- 10 the island of Oahu where more than \$2,000,000 is expended daily
- 11 on imported fossil fuels to generate electricity.
- The legislature finds that Hui Mana 'Oma'o may be assisted 12
- through the issuance of special purpose revenue bonds because it 13
- 14 is an industrial enterprise as that term is understood in part
- V, chapter 39A, Hawaii Revised Statutes. 15
- 16 The legislature further finds and declares that the
- exercise of the powers vested in the department of budget and 17



HB LRB 08-1015.doc

# H.B. NO. 266

- 1 finance under this Act constitutes assistance to an industrial
- 2 enterprise and that the issuance of special purpose revenue
- 3 bonds to finance facilities of the project parties or for the
- 4 project parties, or to loan the proceeds of the special purpose
- 5 revenue bonds to assist project parties, is in the public
- 6 interest and for the public health, safety, and general welfare
- 7 of the State.
- 8 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
- 9 Statutes, the department of budget and finance, with the
- 10 approval of the governor, is authorized to issue special purpose
- 11 revenue bonds in a total amount not to exceed \$38,000,000, in
- 12 one or more series, as seed money for the purpose of assisting
- 13 Hui Mana 'Oma'o or an enterprise or commercial entity in which
- 14 Hui Mana 'Oma'o is an owner, for the establishment of facilities
- 15 to convert potential renewable energy resources into electrical
- 16 energy for consumption by the general public. The legislature
- 17 hereby finds and determines that the activity and facilities of
- 18 Hui Mana 'Oma'o constitute a project as defined in part V,
- 19 chapter 39A, Hawaii Revised Statutes, and the financing thereof
- 20 is assistance to an industrial enterprise.
- 21 SECTION 3. The special purpose revenue bonds and the
- 22 refunding special purpose revenue bonds issued under this Act





## H.B. NO. 2441

- 1 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
- 2 Statutes, relating to the power to issue special purpose revenue
- 3 bonds to assist industrial enterprises.
- 4 SECTION 4. The department of budget and finance is
- 5 authorized, from time to time, including times subsequent to
- 6 June 30, 2013, to issue special purpose revenue bonds in
- 7 whatever principal amounts the department shall determine to be
- 8 necessary to refund the special purpose revenue bonds authorized
- 9 in section 2 and to refund special purpose revenue bonds
- 10 authorized in this section, regardless of whether the
- 11 outstanding special purpose revenue bonds or refunding special
- 12 purpose revenue bonds have matured or are the subject of
- 13 redemption or whether the refunding special purpose revenue
- 14 bonds shall be bonds for the multi-project programs described in
- 15 section 2. In making this determination, the department shall
- 16 comply with federal law relating to the exemption from federal
- 17 income taxation of the interest on bonds of the nature
- 18 authorized by this section.
- 19 SECTION 5. The authorization to issue special purpose
- 20 revenue bonds under this Act shall lapse on June 30, 2013.

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

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INTRODUCED BY:

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### Report Title:

Special Purpose Revenue Bonds; Industrial Enterprises

### Description:

Authorizes the issuance of special purpose revenue bonds in a total amount not to exceed \$38,000,000 to assist Hui Mana 'Oma'o to establish facilities to convert potential renewable energy resources into electrical energy for public consumption.