A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS.

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

- 1 SECTION 1. The legislature finds that the State suffers
- 2 from serious traffic congestion, limited road and parking
- 3 resources, and over-reliance on imported fuel for
- 4 transportation, and needs flexible and affordable transportation
- 5 options. Thus, the development of a bikeshare system in the
- 6 State is in the public interest.
- 7 Bikeshare is a low-cost, flexible transportation service
- 8 that provides on-demand access to a network of publicly
- 9 accessible bicycles. These bicycles are located at fixed
- 10 destination-based stations. The city and county of Honolulu and
- 11 its various public and private partners identified bikeshare as
- 12 a transportation amenity to meet the mobility needs of
- 13 residents, employees, and visitors. Bikeshare also supports
- 14 various concurrent and interconnected initiatives, including the
- 15 implementation of the Honolulu Authority for Rapid
- 16 Transportation rail system, transit-oriented community
- 17 development, and various energy, livability, and health



- 1 initiatives of the State. In May 2012, the Hawaii clean energy
- 2 initiative's transportation vehicle miles traveled reduction
- 3 working group and the department of health identified the
- 4 development of bikeshare as a key strategy for reducing vehicle
- 5 miles traveled and achieving healthy outcomes.
- 6 The legislature further finds that the benefits of
- 7 developing a bikeshare system include:
- 8 (1) Economic development;
- 9 (2) Public health improvement and chronic disease
- 10 prevention;
- 11 (3) Increased safety and a reduction in transportation-
- related fatality rates;
- (4) Creation of local technical and semi-technical jobs;
- 14 and
- 15 (5) Creation of a new recreational amenity for residents
- and visitors.
- 17 Bikeshare Hawaii is developing a bikeshare project in the
- 18 State that will include:
- 19 (1) A fleet of approximately one thousand five hundred
- 20 publicly accessible bicycles;

1	(2)	Approximately one hundred fifty unstaffed bikeshare
2		stations for securing bicycles, accepting payment, and
3		providing information about the system;
4	(3)	Public access to the system at all hours on all days;
5	(4)	Integrated safety features on all bicycles;
6	(5)	Anti-theft and anti-vandalism features at stations and
7		on bicycles;
8	(6)	A suite of information technology integrating
9		stations, payments, a website, and mobile
10		applications; and
11	(7)	Customer support.
12	The	legislature also finds that Bikeshare Hawaii's work to
13	develop a bikeshare system is an industrial enterprise, within	
14	the meaning of part V, chapter 39A, Hawaii Revised Statutes, and	
15	that the bikeshare project may be assisted through the issuance	
16	of special purpose revenue bonds.	
17	Accordingly, the purpose of this Act is to authorize the	
18	issuance of special purpose revenue bonds to assist Bikeshare	
19	Hawaii, a not-for-profit organization pursuant to section	
20	501(c)(3)	of the Internal Revenue Code, with the development of

- 1 a bikeshare system to replace short car trips and provide a
- 2 convenient and affordable transportation option.
- 3 The legislature finds and declares that the issuance of
- 4 special purpose revenue bonds under this Act is in the public
- 5 interest and for the public health, safety, and general welfare.
- 6 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
- 7 Statutes, the department of budget and finance, with the
- 8 approval of the governor, is authorized to issue special purpose
- 9 revenue bonds in a total amount not to exceed \$8,000,000 in one
- 10 or more series, for the purpose of assisting Bikeshare Hawaii
- 11 develop a bikeshare system to replace short car trips and
- 12 provide a convenient and affordable transportation option. The
- 13 bicycles utilized by the system shall be made available for use
- 14 by members of the general public on a membership basis or
- 15 through fees. The legislature hereby finds and determines that
- 16 the establishment of a bikeshare system constitutes a "project"
- 17 as defined in part V, chapter 39A, Hawaii Revised Statutes,
- 18 relating to the power to issue special purpose revenue bonds to
- 19 assist an industrial enterprise.
- 20 SECTION 3. The special purpose revenue bonds and the
- 21 refunding special purpose revenue bonds issued under this Act

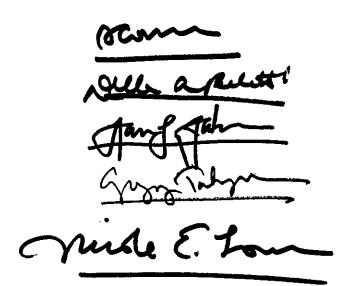
- 1 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
- 2 Statutes, relating to the power to issue special purpose revenue
- 3 bonds to assist industrial enterprises.
- 4 SECTION 4. The department of budget and finance is
- 5 authorized, from time to time, including times subsequent to
- 6 2020, to issue special purpose revenue bonds in whatever
- 7 principal amounts the department shall determine to be necessary
- 8 to refund the special purpose revenue bonds authorized in
- .9 section 2 and to refund special purpose revenue bonds authorized
- 10 in this section, regardless of whether the outstanding special
- 11 purpose revenue bonds or refunding special purpose revenue bonds
- 12 have matured or are the subject of redemption or whether the
- 13 refunding special purpose revenue bonds shall be bonds for the
- 14 multi-project programs described in section 2. In making this
- 15 determination, the department shall comply with federal law
- 16 relating to the exemption from federal income taxation of the
- 17 interest on bonds of the nature authorized by this section.
- 18 SECTION 5. The authorization to issue special purpose
- 19 revenue bonds under this Act shall lapse on June 30, 2021.

SECTION 6. This Act shall take effect on July 1, 2016.

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INTRODUCED BY:



JAN 26 2016

Report Title:

Transportation; Public Health; Economic Development; Bikeshare Hawaii; Special Purpose Revenue Bonds; Appropriation

Description:

Authorizes the issuance of special purpose revenue bonds to assist Bikeshare Hawaii develop a bikeshare system in the State.

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