THE SENATE
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

S.B. NO. 988 S.D. 1

A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR MELE ASSOCIATES, INC., A RENEWABLE ENERGY DEVELOPER SERVING THE GENERAL PUBLIC IN PROVIDING ELECTRIC ENERGY.

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

SECTION 1. The legislature finds that climate change and its severe effects and shoreline erosion impact the lives and livelihoods of Hawaii's people. There is currently an increasing focus on reducing harmful air emissions from fossil fuels, such as oil and coal, as a possible cause of greenhouse gases, which impact climate change.

The legislature further finds that global fossil fuel prices and concerns about energy security in Hawaii are the impetus locally to acquire renewable resources as a source of energy. Hawaii is extremely well-situated to harness strong trade winds and abundant sunlight to provide renewable energy. Mele Associates, Inc., has considerable experience in installing renewable energy projects using special purpose revenue bonds as a financing instrument.

The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed $50,000,000, in one or more series, for the purpose of assisting Mele Associates, Inc., a renewable energy developer, in serving the general public by providing renewable electric energy and installing renewable energy projects in Hawaii. The legislature hereby finds and determines that the renewable energy projects constitute a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. This Act shall take effect on July 1, 2050.

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Report Title:
Special Purpose Revenue Bonds; Mele Associates, Inc.; Renewable Energy Developer

Description:
Authorizes the issuance of special purpose revenue bonds to Mele Associates, Inc., a renewable energy developer, for the provision of electric energy and installation of renewable energy projects in Hawaii. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.