

JAN 19 2022

A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST THE HAWAIIAN
LEGACY REFORESTATION INITIATIVE TO RESTORE HAWAII'S FORESTS
AND NATURAL RESOURCES.

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

1 SECTION 1. The legislature finds and declares that the
2 issuance of special purpose revenue bonds under this Act is in
3 the public interest and for the public health, safety, and
4 general welfare.

5 SECTION 2. Pursuant to part IV, chapter 39A, Hawaii
6 Revised Statutes, the department of budget and finance, with the
7 approval of the governor, is authorized to issue special purpose
8 revenue bonds in a total amount not to exceed \$50,000,000, in
9 one or more series, for the purpose of assisting Hawaiian Legacy
10 Reforestation Initiative LLC, a Hawaii corporation, for
11 generating a sustainable model of endemic reforestation,
12 ecosystem revitalization, endangered species recovery, and
13 carbon credit sequestering by planning, designing, constructing,
14 and equipping private and public land owners with the tools for
15 endemic forest development, processing and distribution of
16 forest products, including eco-assets such as tree planting,



1 endangered species management, endemic species propagation,
2 value-added agriculture, advanced materials, sustainable timber,
3 carbon credits, Hawaii cultural practice, fine art, and Hawaii
4 made products. The legislature hereby finds and determines that
5 the planning, designing, constructing, and equipping of
6 facilities for the deployment of endemic plants, technology
7 systems to rebuild and manage Hawaii's forest eco-assets and
8 forest products, such as the production of carbon credits,
9 sustainable forest products, and value added agricultural
10 products, constitute a project as defined in part IV, chapter
11 39A, Hawaii Revised Statutes, and the financing thereof is
12 assistance to a processing enterprise.

13 SECTION 3. The special purpose revenue bonds and the
14 refunding special purpose revenue bonds issued under this Act
15 shall be issued pursuant to part IV, chapter 39A, Hawaii Revised
16 Statutes, relating to the power to issue special purpose revenue
17 bonds to assist processing enterprises.

18 SECTION 4. The department of budget and finance is
19 authorized, from time to time, including times subsequent to
20 June 30, 2027, to issue special purpose revenue bonds in
21 whatever principal amounts the department shall determine to be



1 necessary to refund the special purpose revenue bonds authorized
2 in section 2 and to refund special purpose revenue bonds
3 authorized in this section, regardless of whether the
4 outstanding special purpose revenue bonds or refunding special
5 purpose revenue bonds have matured or are the subject of
6 redemption or whether the refunding special purpose revenue
7 bonds shall be bonds for the multi-project programs described in
8 section 2. In making this determination, the department shall
9 comply with federal law relating to the exemption from federal
10 income taxation of the interest on bonds of the nature
11 authorized by this section.

12 SECTION 5. The authorization to issue special purpose
13 revenue bonds under this Act shall lapse on June 30, 2027.

14 SECTION 6. This Act shall take effect on July 1, 2022.

15

INTRODUCED BY: *Freddie R. Frongey*



S.B. NO. 2070

Report Title:

Special Purpose Revenue Bonds, Hawaii Legacy Reforestation Initiative

Description:

Authorizes the Department of Budget and Finance to issue special purpose revenue bonds to assist Hawaii Legacy Reforestation Initiative LLC in their mission to proliferate a sustainable model of endemic reforestation, ecosystem revitalization, endangered species recovery, and carbon credit sequestering.

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