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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY SETH S. COLBY, Ph.D.
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 585, S.D. 1

February 19, 2026
10:30 A.M.
Room 211 and Videoconference

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST BANA PACIFIC INC.

The Department of Budget and Finance (B&F) offers the following comments on Senate Bill (S.B.) No. 585, S.D. 1 which authorizes the issuance of Special Purpose Revenue Bonds (SPRB) to assist Bana Pacific Inc. in constructing a biogas production facility pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

B&F would like to note that that Act 262, SLH 2023 states "No special purpose revenue bonds requiring an allocation of annual state ceiling under section 39B-2, Hawaii Revised Statutes, shall be authorized after June 30, 2023 and before December 31, 2028.

Should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<https://budget.hawaii.gov/wp-content/uploads/2025/02/SPRB-FAQ-2025-02-10-Final.pdf>

Thank you for your consideration of our comments.



February 19, 2026

SENATE COMMITTEE ON WAYS AND MEANS

Sen. Donovan Dela Cruz, Chair; Sen. Sharon Moriwaki, Vice Chair; and Committee Members
Public Hearing, February 19, 2026, 10:30 a.m. – Conference Room 211, State Capitol

**Testimony of William F. Anonsen, Managing Partner/Principal of The Maritime Group
In Support of S.B. 3050 SD 1, Relating to Issuance of Special Purpose Revenue Bonds (Bana Pacific)**

My name is William F. Anonsen, Managing Partner and Principal of The Maritime Group, LLC. I respectfully submit testimony in support of SB 585, SD1, as it comes before the Committee on Ways and Means for decision-making. For clarity, The Maritime Group nor I have any financial interest in this project, nor are we involved in its development or financing. My comments are offered strictly from a public policy and energy resilience perspective.

SB 585, SD1 authorizes up to \$180 million in Special Purpose Revenue Bonds to assist Bana Pacific Inc. in constructing a biogas production facility converting local biomass and organic waste into renewable natural gas. The measure also acknowledges advanced technologies, including green hydrogen production, while maintaining its primary focus on biogas.

Hawai'i's dependence on imported fossil fuels and limited landfill capacity makes projects that integrate renewable energy production with waste diversion especially important. The bill advances energy security, methane reduction, agricultural sustainability, and progress toward the State's renewable energy goals.

From a fiscal standpoint, these are Special Purpose Revenue Bonds issued under existing statutory authority and do not pledge the full faith and credit of the State. The capped authorization and defined issuance parameters reflect appropriate fiscal safeguards. SB 585, SD1 represents a balanced approach to encouraging private investment in renewable infrastructure while advancing public policy objectives.

We respectfully urge the Committee to advance SB 585, SD1.

Respectfully submitted,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal
THE MARITIME GROUP

SB-585-SD-1

Submitted on: 2/16/2026 4:21:13 PM

Testimony for WAM on 2/19/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Darin Yokoyama	Individual	Support	Written Testimony Only

Comments:

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

I strongly support SB585 because it promotes local farming, creates skilled local jobs, and helps Hawaii meet its renewable energy mandate of achieving 100% renewable energy by 2045. The use of locally grown Bana grass as a renewable feedstock provides a sustainable agricultural opportunity for Hawaii farmers while producing clean, reliable renewable energy that reduces dependence on imported fossil fuels. This project supports agricultural diversification, strengthens our local economy, and creates construction, electrical, technical, and long-term operational jobs for Hawaii residents. It will also provide valuable educational opportunities for local schools and workforce training programs focused on renewable energy and sustainability. SB585 represents a responsible and forward-thinking investment in Hawaii's agricultural, economic, and clean energy future, and I respectfully urge your support.

Respectfully submitted,

Darin Yokoyama
Honolulu, Hawaii



94-488 Kunia Road, Waipahu, HI 96797

Phone: (808) 688-3245

February 17, 2026

The Honorable Chair Dela Cruz
Members of the Committee on Ways and Means
Hawaii State Capitol
415 S. Beretania Street
Honolulu, HI 96813

Subject: Testimony in Support of Senate Bill SB585, SD1

Aloha Chair Dela Cruz and Members of the Committee:

My name is Alec Sou. I am President of Aloun Farm, Inc. and I am testifying on its behalf. We have been actively farming in Hawaii since 1976.

Aloun Farm, Inc. strongly supports Senate Bill 585, SD1, which proposes special purpose revenue bonds to support the financing, operation, and maintenance of a project by Bana Pacific Inc., converting locally sourced biomass and agricultural byproducts into biogas and renewable natural gas, reducing our islands' dependence on imported fossil fuels.

The bonds do not constitute state debt and carry no taxpayer liability. SB585 SD1 supports significant private capital investment, strengthens local energy security, and advances agricultural integration and economic resilience.

For these reasons, Aloun Farms strongly supports SB585, SD1 and urge your favorable consideration of this measure.

Thank you for the opportunity to testify.

Sincerely,

Alec Sou,
President & General Manager

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
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SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

**THURSDAY, FEBRUARY 19, 2026
10:30 AM
CONFERENCE ROOM 211**

**SENATE BILL NO. 585 SD1
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST BANA PACIFIC INC.**

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

Thank you for the opportunity to testify on Senate Bill No. 585 SD1 that authorizes the issuance of special purpose revenue bonds to assist Bana Pacific Inc. in constructing a biogas production facility.

The Department of Agriculture and Biosecurity supports the proposed biogas production facility to the extent the Hawaii farmers can economically grow the biomass to be used as feedstock to produce renewable fuels.

Thank you for the opportunity to testify on this measure.



**Testimony to The Committee on Ways and Means
February 19, 2026
10:30 AM
Conference Room 211 & VIA videoconference
Hawaii State Capitol
SB585 SD1**

Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee, Hawaii Gas appreciates the opportunity to submit testimony in support of SB 585 SD1, which authorizes the issuance of Special Purpose Revenue Bonds (SPRBs) to assist Bana Pacific Inc. biogas production facility.

As Hawai'i's only regulated gas utility, we are committed to supporting the state's transition toward a cleaner, more resilient, and more diversified energy future. Expanding local renewable energy production aligns with the state's decarbonization goals and helps reduce dependence on imported fossil fuels.

SB 585 supports efforts that expand the availability of renewable gas resources, diversify Hawai'i's energy portfolio, and provide customers with cleaner energy options.

Thank you for the opportunity to testify.

SB-585-SD-1

Submitted on: 2/18/2026 9:09:55 AM

Testimony for WAM on 2/19/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Avery Barry	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of SB585 SD1

Before the Senate Committee on Ways and Means (WAM)

February 19, 2026 – 10:30 AM

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

My name is Avery Barry and I am an Egg Farmer in Waialua, Hawai‘i. I am writing in support of SB585 SD1.

From an agricultural producer’s perspective, having reliable local infrastructure to responsibly manage agricultural byproducts is important for long-term operational stability. Infrastructure that can convert organic agricultural materials into renewable energy provides an additional pathway beyond traditional disposal methods, improving flexibility and cost predictability for producers.

SB585 authorizes the use of Special Purpose Revenue Bonds under Chapter 39A, which do not constitute state debt and do not create taxpayer liability. The measure enables private financing for infrastructure that supports both renewable energy production and agricultural resilience.

Local agriculture benefits when supporting infrastructure exists within the State. Strengthening these systems contributes to long-term food security, rural economic stability, and responsible land use.

For these reasons, I respectfully urge the Committee to pass SB585 SD1 out of WAM.

Mahalo for your consideration.

Respectfully submitted,

Avery Barry

General Manager, Waialua Fresh Eggs

Waialua, Hawaii

SB-585-SD-1

Submitted on: 2/18/2026 4:56:21 PM

Testimony for WAM on 2/19/2026 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
laurent nassif	Testifying for Sustainable Solutions LLC	Support	Written Testimony Only

Comments:

Testimony in Support of SB585 SD1
Before the Senate Committee on Ways and Means (WAM)
February 19, 2026 – 10:30 AM

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

My name is Laurent Nassif and I am the founder of a local renewable energy company in Kailua, Hawai‘i. I am writing in support of SB585 SD1.

From a local RNG producer’s perspective, and global sustainability expert, having reliable local infrastructure to responsibly manage agricultural land and generate agricultural byproducts is critical for our State's for long-term sustainability goals, farming communities and to prevent unmanaged land risks such as fire. Infrastructure that can convert organic agricultural materials into renewable energy provides an additional pathway beyond traditional disposal methods, improving flexibility and cost predictability for producers. Moreover, the type of local resources leading to responsible production of firm renewable energy in Hawaii are particularly limited. Finally, it is critical to support such local projects that will serve local communities and create good direct and indirect local jobs, and revigorate the farming and renewable energy industries in our State.

SB585 authorizes the use of Special Purpose Revenue Bonds under Chapter 39A, which do not constitute state debt and do not create taxpayer liability. The measure enables private financing for infrastructure that supports both renewable energy production and agricultural resilience.

Local agriculture benefits when supporting infrastructure exists within the State. Strengthening these systems contributes to long-term food security, rural economic stability, and responsible land use.

For these reasons, I respectfully urge the Committee to pass SB585 SD1 out of WAM.

Mahalo for your consideration.

Respectfully submitted,
Laurent Nassif

CEO, Sustainable Solutions LLC aka Sustainability Solutions
Kailua, Hawaii