

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 300, Session Laws of Hawaii 1983, is amended to read as follows:

“SECTION 1. 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 of the State.

SECTION 2. The legislature finds that the economy of the State has followed the recent high unemployment and recessionary trends of the national economy. Persistent high interest rates for industrial enterprise borrowers together with the prevailing symptoms of recession combine to create special and substantial obstacles to the raising of new capital and the resulting lack of introduction of new industry in the State. It is recognized that the establishment of new industry to diversify the economic base of the State, create new employment opportunities, increase tax revenues, and stimulate the inflow of new capital into the State, is desirable. The legislature therefore finds that the establishment of new industry should be one of the priority considerations in the issuance of special purpose revenue bonds.

The legislature further finds that part V, chapter 39A, Hawaii Revised Statutes, permits the State to financially assist in the establishment of new industry by using the proceeds from special purpose revenue bonds.

SECTION 3. 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 \$10,000,000 in one or more series for the purpose of assisting Aloha Studios, Inc., a Hawaii corporation, or a partnership in which Aloha Studios, Inc., is a general partner, in the generation of new capital for the establishment of industrial enterprise facilities relating to the performing arts, including film and sound studios, post-production facilities, machinery, equipment, furnishings and apparatus, related activities and services, and support facilities. The legislature finds and determines that the activity and facilities of Aloha Studios, Inc., constitutes a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

[Aloha Studios, Inc. shall be part of the department of budget and finance for administrative purposes only.]

[SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of or so much thereof as may be necessary for fiscal year 1983-1984, for support services to be provided to Aloha Studios, Inc., including the hiring of necessary staff. The sum appropriated shall be expended by the department of budget and finance.]

[SECTION 5.] SECTION 4. The 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 6.] SECTION 5. This Act shall take effect upon its approval.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 24, 1984.)