

A Bill for an Act Relating to the Authorization and Refunding of Special Purpose Revenue Bonds to Assist Utilities Serving the General Public.

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

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. Citizens Utilities Company (Kauai Electric Division) is an electric utility serving the general public that qualifies for special purpose revenue bonds pursuant to chapter 39A, part VI, Hawaii Revised Statutes.

SECTION 2. The department of budget and finance is authorized to issue special purpose revenue bonds in one or more series for multi-project capital improvement programs, including the acquisition of land, generating facilities, power plant additions, and/or other qualifying electric system projects for the local furnishing of electric energy by Citizens Utilities Company (Kauai Electric Division) in a total amount not to exceed \$9,400,000, for the financing of which special revenue bonds will be issued during the period from March 1, 1985, through February 28, 1990; provided that public utilities commission approval shall be required for any project financed by the issuance of special purpose revenue bonds under this Act; and provided further that of the amount authorized none shall be used for new fossil fuel generating units and none shall be used for nuclear fuel generating units.

SECTION 3. The public utilities commission shall annually report to the legislature as to the progress under this Act in reducing financing costs of electric utilities, including the cost of such bonds at the time of issue as compared to the cost to the utility if the issue was made under other than the revenue bond provision, the estimated benefits derived from the use of the special purpose revenue bonds, and a listing of the projects to be funded by the special purpose revenue bonds.

SECTION 4. The special purpose revenue bonds issued under this Act shall be issued pursuant to chapter 39A, part VI, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist utilities serving the general public in providing electric energy.

SECTION 5. This Act shall take effect upon its approval.

(Approved May 10, 1985.)