

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

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 of the State.

SECTION 2. The legislature finds that the economy of the State is still suffering from the effects of 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 have combined to create special and substantial obstacles to the raising of new capital and the resulting lack of introduction of new industry into 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 finds that a project with significant potential to stimulate new industry, support additional economic activity, and provide increased employment opportunities has been undertaken to develop that part of the Ewa plain known as James Campbell Industrial Park, West Beach, Ewa Plantation, Ewa Marina, and Makakilo. A growing number of industrial enterprises have already located in Campbell Industrial Park, an area designated to be a major center of economic activity which will be integrated with residential and other activities as an example of planned community development.

Recognizing that the State functional plan for housing has established a policy to increase home ownership and rental opportunities and choices in terms of quality, location, cost, densities, style and size of housing, as well as having adopted a subsequent implementing action to encourage tax exempt financing for public facility development and infrastructure in new housing and existing residential areas, the legislature finds that the construction and installation of new water wells and the major expansion of existing water storage and conveyance facilities for the Ewa plain will implement the State housing functional plan while stimulating the growth of a multi-project program of industrial enterprises consisting of the tenant industry, construction industry, housing industry and light and heavy industrial facilities.

The construction and installation of these projects are necessary and desirable for the continued growth of industrial and economic activities and the provision of housing in the Ewa plain. The construction and installation of water wells, and water storage and conveyance facilities will support the previously cited multi-project program of industrial enterprises and the legislature finds that the facilities constitute a project as defined in chapter 39A, part V, Hawaii Revised Statutes. The issuance of special purpose revenue bonds authorized by this Act, to construct the water-related facilities on the Ewa plain, is in the public interest and for the public health, safety and general welfare.

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 one or more series in a total amount not to exceed \$25,000,000 for the purpose of assisting the Ewa Plain

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Water Development Corp. (Corp.), or a corporation, partnership or other association consisting of the Corp. and other parties, to finance the previously cited water-related projects in the Ewa plain, provided that the facilities to be financed shall meet with the approval of the Board of Water Supply, City and County of Honolulu.

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 5. This Act shall take effect upon its approval.

(Approved May 10, 1985.)