

ACT 254

S.B. NO. 1726

A Bill for an Act Relating to Energy.

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

SECTION 1. The legislature has determined that because of Hawaii's almost total reliance on imported oil for energy, millions of dollars are taken from the State's economy each year for petroleum payments.

An integral component in the Hawaii state plan objective of increasing energy self-sufficiency is the development and utilization of indigenous energy resources; however, the development and utilization of these energy resources involve financial risks and costs that often discourage developers. If these costs can be lowered to allow for a more rapid amortization of capital investments, it would encourage the development of alternate energy power facilities.

While geothermal power, as a component of integrated resource planning, may assist the county of Hawaii in reducing its consumption of fossil fuel, the legislature finds it essential to emphasize conservation and energy efficiency to foster statewide energy self-sufficiency. The legislature further finds that geothermal facilities constitute a project as defined in chapter 39A, part V, Hawaii Revised Statutes, and 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. 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 \$5,000,000, for the purpose of assisting Puna Geothermal Venture in financing the geothermal energy projects in Puna, Hawaii; provided

that the facilities to be financed shall meet with the approval of the State of Hawaii and the county of Hawaii.

SECTION 3. 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 4. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 1994.

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

(Approved June 12, 1991.)