

## ACT 105

H.B. NO. 377

A Bill for an Act Relating to Economic Development.

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

SECTION 1. The legislature finds and determines that employment and economic opportunities have exponentially increased in communities in which the high technology industry is concentrated, and that it is in the public interest to promote Hawaii's economic growth by supporting the high technology industry in this State. The legislature further finds and declares that facilities which support the high technology industry will promote the economic growth of the State by making the State a more attractive location for the high technology industry and support the State's existing high technology industry, that the high technology industry constitutes an industrial enterprise within the meaning of part V, chapter 39A, Hawaii Revised Statutes, and that the issuance of special purpose revenue bonds, the proceeds of which will be loaned to a not-for-profit corporation for the acquisition and development of such facilities, is also authorized under part V, chapter 39A, Hawaii Revised Statutes.

The legislature further finds and declares that the issuance of special purpose revenue bonds under this Part is in the public interest, and for the public health, safety, and general welfare of the State, and promotes the development of a high technology industry in 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 in one or more series special purpose revenue bonds in a total amount not to exceed \$100,000,000, for the purpose of assisting Ohana Foundation, a Hawaii not-for-profit corporation, and/or one or more of its not-for-profit affiliates in financing or refinancing costs related to the acquisition and development of facilities of, or for, or to assist the high technology industry, including without limitation, facilities for research, development, technology development, and technology support. The legislature finds and determines that the activities and facilities of Ohana Foundation, or its not-for-profit affiliates, constitute a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 3. The special purpose revenue bonds issued under this part 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 department of budget and finance is further authorized to issue from time to time refunding special purpose revenue bonds authorized in such principal amounts as the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2.

SECTION 5. The authorization to issue special purpose revenue bonds under section 2 of this Act shall lapse on June 30, 2003.

SECTION 6. Section 39A-151, Hawaii Revised Statutes, is amended by amending the definitions of "project" and "project agreement" to read as follows:

"Project" means any combination of land, buildings, and other improvements thereon, including without limitation parking facilities, for use [as] of, or for, or to assist an industrial enterprise, including, without limiting the generality of the

foregoing, machinery, equipment, furnishings, and apparatus which shall be deemed necessary, suitable, or useful to such enterprise.

“Project agreement” means any agreement entered into under this part by the department with a project party to finance, construct, operate, or maintain [an industrial plant] a project from the proceeds of special purpose revenue bonds, or to lend the proceeds of special purpose revenue bonds to assist an industrial enterprise, including without limitation any loan agreement.”

SECTION 7. The director of finance may petition the state supreme court for an opinion as to the validity of any special purpose revenue bonds to be issued under sections 1 to 6 of this Act to assist an industrial enterprise under article VII, section 12, of the state constitution.

The petition shall constitute a case for the purposes of section 602-5, Hawaii Revised Statutes, and the supreme court shall have exclusive and original jurisdiction to receive and determine the question presented in the petition, irrespective of an actual controversy or dispute regarding the project agreement or its validity.

SECTION 8. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.

(Approved June 25, 1999.)