

ACT 229

H.B. NO. 334

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Sopogy Inc., in the Development of Renewable Energy.

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

SECTION 1. The legislature finds that the development of clean electricity from a renewable and abundant resource, the sun, at a price lower than the market price and independent from oil price fluctuations is in the best interests of the public. Sopogy, Inc., specializes in the development, manufacture, and distribution of its proprietary concentrated solar power systems that generate electricity. The legislature finds that the construction of a solar farm power plant that Sopogy, Inc., seeks to create at the natural energy laboratory of Hawaii authority or at another suitable site in the state would demonstrate how electricity could be produced by using solar power systems.

For the foregoing reasons, the legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and is beneficial to the public health, safety, and general welfare.

The legislature further finds that part V, chapter 39A, Hawaii Revised Statutes, permits the State to financially assist industrial enterprises through the issuance of special purpose revenue bonds 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. The legislature finds that Sopogy, Inc., is an industrial enterprise meeting the qualifications for special purpose revenue bond assistance under part V, chapter 39A, Hawaii Revised Statutes. The special purpose revenue bonds authorized under this Act will provide low interest rate bond financing for the construction of a solar farm power plant at the natural energy laboratory of Hawaii authority or at another suitable site 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 special purpose revenue bonds in a total amount not to exceed \$10,000,000, in one or more series, for the purpose of assisting Sopogy, Inc., with planning, designing, constructing, equipping, and operating Sopogy, Inc.'s solar farm power plant at the natural energy laboratory of Hawaii authority or another suitable site in the state.

The legislature hereby finds and determines that the activity and facilities of Sopogy, Inc., 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 and the refunding 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 department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2012, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and any refunding of special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2012.

SECTION 6. This Act shall take effect on July 1, 2007.

(Approved June 29, 2007.)