

## ACT 237

H.B. NO. 2661

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

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

SECTION 1. The legislature finds that it is in the public interest to encourage the development of facilities to convert renewable energy resources into electrical energy to be made available for consumption by the general public. The legislature further finds that Hui Mana 'Oma'o is engaged in the development of facilities to convert potential renewable energy resources into electrical energy to be made available for consumption by the general public. The legislature finds that such encouragement is urgently needed on the island of Oahu, where more than \$2,000,000 is spent daily on imported fossil fuels for the generation of electricity.

SECTION 2. 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.

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 a total amount not to exceed \$38,000,000, in one or more series, for the purpose of assisting Hui Mana 'Oma'o or an enterprise or commercial entity in which Hui Mana 'Oma'o possesses a vested equity interest, for establishment of facilities to convert renewable energy resources into electrical energy. The legislature hereby finds and determines that the combining of two or more intermittent renewable energy resources for the purpose of enhancing the reliability of the resulting electrical energy produced constitutes a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

SECTION 4. 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.

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**SECTION 5.** The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2013, 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 3 and to refund 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 or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 3. 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 6.** The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2013.

**SECTION 7.** This Act shall take effect on July 1, 2008.

(Became law on July 8, 2008, without the Governor's signature, pursuant to Art. III, §16, State Constitution.)