

ACT 87

H.B. NO. 855

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Pacific Power and Water Company, Inc., in the Development of Hydropower Facilities in Hawaii.

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

SECTION 1. The legislature finds that the development of clean and renewable energy is in the best interest of the public. Development of hydropower projects would help achieve renewable energy targets of the State, promote Hawaii's water resources as a source of renewable energy, and reduce Hawaii's reliance on imported oil. The legislature finds that the issuance of special purpose

revenue bonds under this Act is in the public interest and beneficial for the public health, safety, and general welfare.

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 \$25,000,000, in one or more series, for the purpose of assisting Pacific Power and Water Company, Inc., with the planning, permitting, designing, constructing, equipping, and operating of hydropower plants at locations throughout Hawaii. The legislature hereby finds and determines that the planning, permitting, designing, constructing, and operating of hydropower plants constitutes 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, 2016, 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 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 2. 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, 2016.

SECTION 6. This Act shall take effect on July 1, 2011.

(Approved June 8, 2011.)