

ACT 250

H.B. NO. 2680

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds for Kaloko Reservoir.

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

SECTION 1. 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 2. Pursuant to Act 147, Session Laws of Hawaii 2012, 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 providing financing to the Mary N. Lucas Estate for the Kaloko reservoir for planning, permitting, designing, constructing, and equipping the reservoir's dam, upgrading the infrastructure associated with the dam, and acquiring the neighboring properties and appurtenant water system rights and assets necessary to restore and operate the appurtenant water system. The legislature hereby finds and determines that the Kaloko reservoir and its dam constitute a project as defined in Act 147, Session Laws of Hawaii 2012, and the financing thereof is assistance to dam and reservoir owners.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to Act 147, Session Laws of Hawaii 2012, relating to the power to issue special purpose revenue bonds to assist dam and reservoir owners.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2021, 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 of this Act, and to refund special purpose revenue bonds authorized by 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, 2021.

SECTION 6. This Act shall take effect on July 1, 2016.

(Approved July 12, 2016.)