

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds for Ukumehame Reservoirs.

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 \$850,285 in one or more series, for the purpose of providing financing to West Maui Investors, LLC, a Hawaii limited liability company, for permits, testing, construction, and post-construction management for Ukumehame reservoir numbers two and three. The legislature hereby finds and determines that Ukumehame reservoir numbers two and three 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.)