

ACT 197

S.B. NO. 2070

A Bill for an Act Relating to Special Purpose Revenue Bonds to Assist the Hawaiian Legacy Reforestation Initiative to Restore Hawaii's Forests and Natural Resources.

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 part IV, 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 \$50,000,000, in one or more series, for the purpose of assisting Hawaiian Legacy Reforestation Initiative, LLC, a Hawaii limited liability company, for generating a sustainable model of endemic reforestation; ecosystem revitalization; endangered species recovery; carbon credit sequestering by planning, designing, and constructing; equipping private and public land owners with the tools for endemic forest development; processing and distribution of forest products, including eco-assets such as tree planting; endangered species management; endemic species propagation; value-added agriculture; advanced materials; sustainable timber; carbon credits; Hawaii cultural practice; fine art; and Hawaii-made products. The legislature hereby finds and determines that the planning, designing, constructing, and equipping of facilities for the deployment of endemic plants; technology systems to rebuild and manage Hawaii's forest eco-assets and forest products, such as the production of carbon credits; sustainable forest products; and value-added agricultural products; constitute a project as defined in part IV, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a processing 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 IV, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist processing enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2027, 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, 2027.

SECTION 6. This Act shall take effect on July 1, 2022.

(Approved June 27, 2022.)