

STAND. COM. REP. NO. **3297**

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 1951
H.D. 1
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1951, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON OAHU,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the time within which special purpose revenue bonds may be issued for the design and construction of the seawater air conditioning district cooling system in downtown Honolulu.

Your Committee received written comments in support of this measure from Honolulu Seawater Air Conditioning, LLC, and Ulupono Initiative. The Department of Budget and Finance submitted written comments on the measure.

Your Committee finds that recent disruptions in financial markets caused Honolulu Seawater Air Conditioning, LLC, to postpone the design and construction of the seawater air conditioning district cooling system in downtown Honolulu. Honolulu Seawater Air Conditioning, LLC, expects to begin construction of the system later this year and to use all of the proceeds from the special purpose revenue bond issuance within the next three years. Your Committee finds that extending the time for the Department of Finance to authorize issuance of the special purpose revenue bonds for this project to June 28, 2019, will provide the necessary funding for this renewable energy project.

HB1951 SD2 SSCR LRB 14-2233.doc



Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1951, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1951, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



