A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HAWAIIAN ELECTRIC COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED, AND HAWAII ELECTRIC LIGHT COMPANY, INC.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

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 VI, 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 $80,000,000, in one or more series, for the purpose of assisting Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., all Hawaii corporations, to continue multi-project capital improvement programs, including costs to cover the acquisition of land or the construction or acquisition of facilities used or related to the production, transmission, or distribution of electricity, or any combination thereof; provided that the approval of the public utilities...
commission shall be required for any project financed by the issuance of special purpose revenue bonds under this Act. The special purpose revenue bonds shall be issued for the aforementioned purposes in the following distribution:

(1) Up to $70,000,000 for Hawaiian Electric Company, Inc.;
(2) Up to $7,500,000 for Maui Electric Company, Limited; and
(3) Up to $2,500,000 for Hawaii Electric Light Company, Inc.

The legislature hereby finds and determines that the capital improvement projects and programs of Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., constitute energy projects as defined in part VI, chapter 39A, Hawaii Revised Statutes, and the financing thereof constitutes assistance to utilities serving the general public in providing electric energy.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part VI, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue
bonds to assist utilities serving the general public in
providing electric energy.

SECTION 4. The department of budget and finance is
authorized, from time to time, including times subsequent to
June 30, 2020, 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, 2020.

SECTION 6. This Act shall take effect on July 1, 2015.
Report Title:
Special Purpose Revenue Bonds; Electric Utilities; HECO

Description:
Authorizes the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc. (CD1)

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