A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII RENEWABLE RESOURCES, LLC.

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

SECTION 1. The legislature finds that the development of local sustainable food production and the use and production of renewable energy systems continues to be in the best public interest. Hawaii Renewable Resources, LLC, is a Hawai‘i company offering sustainable solutions for the production of food and renewable energy from the conversion of recovered food and green agricultural crop resources.

Hawaii Renewable Resources, LLC, proposes to own, design, build, and operate a renewable natural gas production facility on Maui that will grow energy crops to produce renewable natural gas, carbon dioxide, recovered organic composts, and recovered irrigation water.

In support of the project of Hawaii Renewable Resources, LLC, the use of special purpose revenue bonds issued pursuant to this Act has been carefully considered and matches similar investments for infrastructure projects of this type. The
issuance of special purpose revenue bonds will also provide
critical financial flexibility to support the project
initiatives and the deployment of internal capital. Through the
utilization of special purpose revenue bonds as a means of
funding, Hawaii Renewable Resources, LLC, will provide the
public with benefits derived from utilization of alternative
energy, without investment or operational risk to the State or
counties.

The legislature finds and declares that the issuance of
special purpose revenue bonds under this Act for Hawaii
Renewable Resources, LLC, is in the public interest and for the
public health, safety, and general welfare of the State.

SECTION 2. Pursuant to part V, 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 $30,000,000 in one
or more series, for the purpose of assisting Hawaii Renewable
Resources, LLC, with the establishment and funding of food
crops, with renewable natural gas and electricity production and
related facilities and projects on the island of Maui.
SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

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 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, 2021.

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

INTRODUCED BY: [Signature]
Report Title:
Special Purpose Revenue Bonds; Natural Gas Production Facility; Renewable Energy; Hawaii Renewable Resources, LLC; Maui

Description:
Authorizes the issuance of special purpose revenue bonds to assist Hawaii Renewable Resources, LLC, with the development of a natural gas production facility on Maui that will establish and fund food crops, with renewable natural gas and electricity production and related facilities and projects on the island of Maui.

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