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## A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR  
THE NUUANU HYDROELECTRICITY PROJECT.

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

1           SECTION 1. Nuuanu reservoir #4 is an essential component  
2 in the Nuuanu hydroelectricity project, which will connect  
3 existing reservoirs in Nuuanu valley to generate renewable  
4 hydroelectric energy, provide energy storage of off-peak solar  
5 or wind energy supplies, and supplement usable groundwater  
6 supplies through the increase of groundwater recharge of  
7 captured stormwater. The legislature finds that part VI,  
8 chapter 39A, Hawaii Revised Statutes, permits the State to  
9 assist utilities serving the public in providing electricity.

10           The legislature finds and declares that the issuance of  
11 special purpose revenue bonds under this Act is in the public  
12 interest and for the public health, safety, and general welfare.

13           SECTION 2. Pursuant to part VI, chapter 39A, Hawaii  
14 Revised Statutes, the department of budget and finance, with the  
15 approval of the governor, is authorized to issue special purpose  
16 revenue bonds in a total amount not to exceed \$6,400,000, in one



1 or more series, for the purpose of assisting the Honolulu Board  
2 of Water Supply, a municipal water utility, and Hawaiian  
3 Electric Company, Inc., a Hawaii corporation and electric  
4 utility, to upgrade Nuuanu reservoir #4 to meet state dam safety  
5 standards as part of the Nuuanu hydroelectricity project. The  
6 legislature hereby finds and determines that the Nuuanu  
7 hydroelectricity project constitutes a project as defined in  
8 part VI, chapter 39A, Hawaii Revised Statutes, and the financing  
9 thereof is assistance to utilities serving the general public in  
10 providing electric energy, gas, or telecommunications.

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

17 SECTION 4. The department of budget and finance is  
18 authorized, from time to time, including times subsequent to  
19 June 30, 2022, to issue special purpose revenue bonds in  
20 whatever principal amounts the department shall determine to be  
21 necessary to refund the special purpose revenue bonds authorized



1 in section 2 and to refund special purpose revenue bonds  
 2 authorized in this section, regardless of whether the  
 3 outstanding special purpose revenue bonds or refunding special  
 4 purpose revenue bonds have matured or are the subject of  
 5 redemption or whether the refunding special purpose revenue  
 6 bonds shall be bonds for the multi-project programs described in  
 7 section 2. In making this determination, the department shall  
 8 comply with federal law relating to the exemption from federal  
 9 income taxation of the interest on bonds of the nature  
 10 authorized by this section.

11 SECTION 5. The authorization to issue special purpose  
 12 revenue bonds under this Act shall lapse on June 30, 2022.

13 SECTION 6. This Act shall take effect on July 1, 2017.  
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INTRODUCED BY:

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# H.B. NO. 635

**Report Title:**

Special Purpose Revenue Bonds; Nuuanu Managed Aquifer Recharge and Pumped Storage Hydroelectricity Project

**Description:**

Authorizes the issuance of special purpose revenue bonds to the Board of Water Supply and the Hawaiian Electric Company, Inc. to upgrade Nuuanu Reservoir #4 to meet State Dam Safety Standards, as a component of the Nuuanu Hydroelectricity Project.

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