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# A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST SPINLAUNCH.

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

1           SECTION 1. The legislature finds that support for the  
2 development of a small satellite launch system is in the public  
3 interest. The legislature further finds that SpinLaunch Inc.,  
4 proposes to construct an electrical small satellite launch  
5 system on the Island of Hawaii. The issuance of special purpose  
6 revenue bonds to assist SpinLaunch Inc., in constructing a  
7 portion of its electrical small satellite launch system will  
8 make the development of such a system more economically feasible  
9 and provide numerous benefits. Among other benefits, it is  
10 expected that such a system will:

- 11           (1) Create a market and a landmark for the first non-  
12           rocket based orbital launch technology in the world;  
13           (2) Eliminate the need for chemical rocket fuel first  
14           stage propulsion and the resulting atmospheric  
15           pollution;



- 1           (3) Use an abundant, infinite, renewable energy resources
- 2           - solar energy and regenerative braking - to provide
- 3           electrical loading;
- 4           (4) Reduce cost access to space and operating costs
- 5           compared to conventional rocket launch programs;
- 6           (5) Generate millions of dollars in construction project
- 7           spending and create long-term technical jobs relating
- 8           to the operation of the launch facility;
- 9           (6) Help the State, counties, and federal government to
- 10          meet their goals and mandates for expanding access to
- 11          space under the "U.S. Commercial Space Launch
- 12          Competitiveness Act" and facilitation of a pro-growth
- 13          environment for the developing commercial space
- 14          industry; and
- 15          (7) Contribute to space exploration, observation, and
- 16          transportation.

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

20           SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised  
21 Statutes, the department of budget and finance, with the



1 approval of the governor, is authorized to issue special purpose  
2 revenue bonds in a total amount not to exceed \$25,000,000, in  
3 one or more series, for the purpose of assisting SpinLaunch  
4 Inc., a Delaware corporation, in financing the costs relating to  
5 the planning, design, construction, equipping, acquisition of  
6 land, including easements or other interests therein, and other  
7 tangible assets for an electrically powered, kinetic launch  
8 system to transport small satellites into low Earth orbit. The  
9 legislature hereby finds and determines that the construction of  
10 an electrically powered, kinetic launch system constitutes a  
11 project as defined in part V, chapter 39A, Hawaii Revised  
12 Statutes, and the financing thereof is assistance to an  
13 industrial enterprise.

14 SECTION 3. The special purpose revenue bonds and the  
15 refunding special purpose revenue bonds issued under this Act  
16 shall be issued pursuant to part V, chapter 39A, Hawaii Revised  
17 Statutes, relating to the power to issue special purpose revenue  
18 bonds to assist industrial enterprises.

19 SECTION 4. The department of budget and finance is  
20 authorized, from time to time, including times subsequent to  
21 June 30, 2023, to issue special purpose revenue bonds in



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

13 SECTION 5. The authorization to issue special purpose  
14 revenue bonds under this Act shall lapse on June 30, 2023.

15 SECTION 6. This Act shall take effect on July 1, 2112.



**Report Title:**

Special Purpose Revenue Bonds; SpinLaunch Inc.; Satellite Launch System

**Description:**

Authorizes the issuance of special purpose revenue bonds to assist SpinLaunch Inc., with the financing of the planning, design, and construction of a satellite launch system. (HB2559 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

