A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST E OLA MAU NA LEO O KEKAHA.

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

SECTION 1. The legislature finds that E Ola Mau Na Leo O Kekaha proposes to obtain, remediate, and develop the old Kekaha Sugar Mill from Kekaha MS, LLC, in Kekaha, Kauai, Hawaii, to create, among other things, a smart farming enterprise, tourist and cultural center, community sunshine market, community greenhouse, and community manufacturing and incubator facility. Acquiring, remediating, and developing the property to provide various services will address community and island-wide issues relating to the preservation of a historic cultural site, preservation of important agricultural endeavors, and development and creation of diverse economic drivers on the west side of Kauai that have significantly diminished in recent years due to the closing of the Kekaha Sugar Mill.

The legislature additionally finds and declares that the proposed acquisition, remediation, and development of the Kekaha Sugar Mill through the issuance of special purpose revenue bonds
under this Act is in the public interest and will further public
health, safety, and general welfare.

SECTION 2. Pursuant to part III, IV, or V, or a
combination thereof as the progress of the project may
determine, of 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 $10,000, in one or more series,
for the purpose of assisting E Ola Mau Na Leo O Kekaha, a Hawaii
domestic 501(c)(3) entity, in acquiring, remediating, and
developing the aforementioned project. The legislature hereby
finds and determines that E Ola Mau Na Leo O Kekaha's financing,
acquisition, remediation, construction, and development of this
project constitutes projects as defined in part III, IV, or V,
or a combination thereof as the progress of the project may
determine, of chapter 39A, Hawaii Revised Statutes, and the
financing thereof will provide assistance to a manufacturing,
processing, or industrial enterprise, or a combination thereof
as the progress of the project may determine.

SECTION 3. The special purpose revenue bonds and the
refunding special purpose revenue bonds issued under this Act
shall be issued pursuant to part III, IV, or V, or a combination thereof as the progress of the project may determine, of chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist manufacturing, processing, or industrial enterprises, or a combination thereof as the progress of the project may determine.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2024, 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, 2024.

SECTION 6. This Act shall take effect on July 1, 2019.

INTRODUCED BY: __________________________

JAN 24 2019
Report Title:
Special Purpose Revenue Bonds; E Ola Mau Na Leo O Kekaha; Kekaha Sugar Mill

Description:
Authorizes the issuance of special purpose revenue bonds (SPRB) to assist E Ola Mau Na Leo O Kekaha with the acquisition, remediation, and development of the old Kekaha Sugar Mill in Kekaha, Kauai, Hawaii.

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