

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR  
  
ROBERT YU  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**

TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT  
ON  
HOUSE BILL NO. 119

**February 5, 2021**

**9:30 A.M.**

**Via Videoconference**

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO  
ASSIST KAUNALEWA

The Department of Budget and Finance offers the following comments on House Bill No. 119 which amends Act 43, SLH 2019, to replace "E Ola Mau Na Leo O Kekaha" with "Kaunalewa", as the entity authorized to receive assistance from the issuance of Special Purpose Revenue Bonds to finance the acquisition, remediation, and development of the old Kekaha Sugar Mill in Kekaha, Kauai, Hawaii pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department would like to inform the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link: <http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

**COUNTY COUNCIL**

Arryl Kaneshiro, Chair  
Mason K. Chock, Vice Chair  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Bill DeCosta  
Luke A. Evslin  
KipuKai Kualii



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Scott K. Sato, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
E-mail: cokcouncil@kauai.gov

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kaua'i, Hawaii 96766

February 3, 2021

**TESTIMONY OF FELICIA COWDEN,  
COUNCILMEMBER, KAUAI COUNTY COUNCIL  
ON  
HB 119, RELATING TO SPECIAL PURPOSE REVENUE BONDS  
TO ASSIST KAUNALEWA  
House Committee on Economic Development  
Friday, February 5, 2021  
9:30 a.m.  
Conference Room 312**

Dear Chair Quinlan and Members of the Committee:

Thank you for this opportunity to provide support in favor of HB 119, Relating to Special Purpose Revenue Bonds To Assist Kaunalewa. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

I support the issuance of Special Purpose Revenue Bonds to assist Kaunalewa in an effort to develop and remediate the Old Kekaha Sugar Mill in Kekaha, Kaua'i. The need to remediate the toxicity of this property from sugar-era legacy chemicals on this parcel in the middle of town in immediate proximity to the Hawaiian charter school across the street and directly upwind of our public housing properties has held my interest for more than a decade. I am committed to supporting the success of the nonprofit group Kaunalewa to achieve cleaning and repurposing this historic area of Kekaha through community outreach and to create an economic hub in the center of town in alignment with the region's plantation and Hawaiian history.

Thank you again for this opportunity to provide testimony. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via E-mail to cokcouncil@kauai.gov.

Sincerely,

FELICIA COWDEN  
Councilmember, Kaua'i County Council

AMK:mn