

JAN 23 2015

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# A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO  
ASSIST ANAERGIA INCORPORATED.

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

1           SECTION 1. (a) The legislature finds that support for the  
2 development of renewable and efficient and secure energy systems  
3 in the State, which is geographically isolated from sources of  
4 oil, continues to be in the public interest.

5           Anaergia Incorporated, a global leader in renewable energy  
6 and waste to energy conversion, proposes to build, own, and  
7 operate a project located in central Maui that is designed to  
8 process up to seven hundred tons per day of municipal solid  
9 waste, green waste, and sewage sludge. The project will  
10 include:

11           (1) A material recovery facility to recover recyclable  
12 materials like plastic, paper, and glass;

13           (2) An anaerobic digester to convert organics like  
14 municipal sludge and food waste to renewable natural  
15 gas and compost; and



1 (3) A facility to convert energy crops into renewable  
2 natural gas or renewable electricity; and

3 (4) Other process equipment to convert municipal sludge,  
4 food waste, green waste, and other organic materials  
5 to renewable methane rich biogas which is similar to  
6 natural gas.

7 (b) The legislature further finds that the benefits of the  
8 development of such facilities include the following:

9 (1) Reduction of greenhouse gas emissions;

10 (2) Reduction of landfill waste streams;

11 (3) Reduction of transportation and disposal costs;

12 (4) Creation of well-paying new jobs in the green tech  
13 sector and jobs in construction and related  
14 industries;

15 (5) Production of renewable energy for local communities,  
16 which reduces Hawaii's net import of energy and  
17 increases Hawaii's domestic wealth, self-sufficiency,  
18 and energy security;

19 (6) Assistance in meeting Hawaii's renewable energy goals;

20 (7) Containment of dust clouds on fallow lands;

21 (8) Alleviation of R-1 water reuse issues;



- 1           (9) Enhancement of the State's energy security;
- 2           (10) Augmentation of recyclable material recovery; and
- 3           (11) Production of renewable energy and renewable fuels for
- 4           use in local communities, which reduces Hawaii's net
- 5           import of fossil fuels and increases Hawaii's energy
- 6           self-sufficiency.

7           SECTION 2. The legislature finds and declares that the

8           issuance of special purpose revenue bonds under this Act is in

9           the public interest and for the public health, safety, and

10          general welfare.

11          SECTION 3. Pursuant to part V, chapter 39A, Hawaii Revised

12          Statutes, the department of budget and finance, with the

13          approval of the governor, is authorized to issue special purpose

14          revenue bonds in a total amount not to exceed \$90,000,000, in

15          one or more series, for the purpose of assisting Anaergia

16          Incorporated or a partnership in which Anaergia Incorporated is

17          a general partner, with the establishment of energy production,

18          waste recovery, and related facilities on the island of Maui.

19          The electrical output of these facilities shall be made

20          available for use by members of the general public by sale to

21          electric utilities serving the public.



1           The legislature hereby finds and determines that Anaergia  
2 Incorporated's planning, design, and construction of a material  
3 recovery facility, an anaerobic digester, and a facility to  
4 convert energy crops into renewable natural gas or renewable  
5 electricity constitutes a project as defined in part V, chapter  
6 39A, Hawaii Revised Statutes, and the financing thereof is in  
7 assistance to an industrial enterprise.

8           SECTION 4. The special purpose revenue bonds and the  
9 refunding special purpose revenue bonds issued under this Act  
10 shall be issued pursuant to part V, chapter 39A, Hawaii Revised  
11 Statutes, relating to the power to issue special purpose revenue  
12 bonds to assist industrial enterprises.

13           SECTION 5. The department of budget and finance is  
14 authorized, from time to time, including times subsequent to  
15 June 30, 2020, to issue special purpose revenue bonds in  
16 whatever principal amounts the department shall determine to be  
17 necessary to refund the special purpose revenue bonds authorized  
18 in section 3 and to refund special purpose revenue bonds  
19 authorized in this section, regardless of whether the  
20 outstanding special purpose revenue bonds or refunding special  
21 purpose revenue bonds have matured or are the subject of





# S.B. NO. 750

**Report Title:**

Special Purpose Revenue Bonds; Renewable Energy; Anaergia Incorporated

**Description:**

Authorizes the issuance of special purpose revenue bonds to assist Anaergia Incorporated with the development of facilities for renewable nonfossil fuel energy production in Maui.

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

