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# A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HAWAIIAN ELECTRIC COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED, AND HAWAII ELECTRIC LIGHT COMPANY, INC.

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

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PART I

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part VI, 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 \$80,000,000, in one or more series, for the purpose of assisting Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., all Hawaii corporations, to continue multi-project capital improvement programs, including costs to cover the acquisition of land or the construction or acquisition of facilities used or related to the production, transmission, or distribution of electricity, or any combination thereof; provided that the approval of the public utilities



1 commission shall be required for any project financed by the  
2 issuance of special purpose revenue bonds under this Act. The  
3 special purpose revenue bonds shall be issued for the  
4 aforementioned purposes in the following distribution:

- 5 (1) Up to \$70,000,000 for Hawaiian Electric Company, Inc.;
- 6 (2) Up to \$7,500,000 for Maui Electric Company, Limited;
- 7 and
- 8 (3) Up to \$2,500,000 for Hawaii Electric Light Company,  
9 Inc.

10 The legislature hereby finds and determines that the capital  
11 improvement projects and programs of Hawaiian Electric Company,  
12 Inc., Maui Electric Company, Limited, and Hawaii Electric Light  
13 Company, Inc., constitute energy projects as defined in part VI,  
14 chapter 39A, Hawaii Revised Statutes, and the financing thereof  
15 constitutes assistance to utilities serving the general public  
16 in providing electric energy.

17 SECTION 3. The special purpose revenue bonds and the  
18 refunding special purpose revenue bonds issued under this Act  
19 shall be issued pursuant to part VI, chapter 39A, Hawaii Revised  
20 Statutes, relating to the power to issue special purpose revenue



1 bonds to assist utilities serving the general public in  
2 providing electric energy.

3 SECTION 4. The department of budget and finance is  
4 authorized, from time to time, including times subsequent to  
5 June 30, 2020, to issue special purpose revenue bonds in  
6 whatever principal amounts the department shall determine to be  
7 necessary to refund the special purpose revenue bonds authorized  
8 in section 2 and to refund special purpose revenue bonds  
9 authorized in this section, regardless of whether the  
10 outstanding special purpose revenue bonds or refunding special  
11 purpose revenue bonds have matured or are the subject of  
12 redemption or whether the refunding special purpose revenue  
13 bonds shall be bonds for the multi-project programs described in  
14 section 2. In making this determination, the department shall  
15 comply with federal law relating to the exemption from federal  
16 income taxation of the interest on bonds of the nature  
17 authorized by this section.

18 SECTION 5. The authorization to issue special purpose  
19 revenue bonds under this Act shall lapse on June 30, 2020.

20 SECTION 6. This Act shall take effect on July 1, 2015.



**Report Title:**

Special Purpose Revenue Bonds; Electric Utilities; HECO

**Description:**

Authorizes the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc. (CD1)

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

