
A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SOPOGY INC., IN THE DEVELOPMENT OF RENEWABLE ENERGY ON THE ISLAND OF OAHU.

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

1 SECTION 1. The legislature finds that the development of
2 clean electricity from a renewable and abundant resource, the
3 sun, at a price lower than the market price and independent from
4 oil price fluctuations, is in the best interests of the public.
5 Sopogy, Inc., specializes in the development, manufacture, and
6 distribution of its proprietary concentrated solar power systems
7 that generate electricity. The legislature finds that the
8 construction of a solar farm power plant that Sopogy, Inc.,
9 seeks to create on the island of Oahu would support the state's
10 renewable energy goals.

11 The legislature finds and declares that the issuance of
12 special purpose revenue bonds under this Act is in the public
13 interest and is beneficial to the public health, safety, and
14 general welfare.

15 The legislature further finds that part VI, chapter 39A,
16 Hawaii Revised Statutes, permits the State to financially assist
17 the capital improvement programs, including the acquisition of



1 land and facilities used to produce electricity transmission and
2 distribution facilities, and other electric systems and
3 facilities, or a combination thereof of Sopogy, Inc., through
4 the issuance of special purpose revenue bonds. The special
5 purpose revenue bonds authorized under this Act will provide low
6 interest rate bond financing for the construction of a solar
7 farm power plant on the island of Oahu.

8 SECTION 2. Pursuant to part VI, chapter 39A, Hawaii
9 Revised Statutes, the department of budget and finance, with the
10 approval of the governor, is authorized to issue special purpose
11 revenue bonds in a total amount not to exceed \$35,000,000, in
12 one or more series, for the purpose of assisting Sopogy, Inc.,
13 with the planning, designing, construction, equipping, and
14 operating of Sopogy, Inc.'s solar farm power plant on the island
15 of Oahu.

16 The legislature hereby finds and determines that the
17 activity and facilities of Sopogy, Inc., constitute an energy
18 project as defined in part VI, chapter 39A, Hawaii Revised
19 Statutes, and the financing thereof is assistance to utilities
20 serving the general public in providing electric energy.

21 The legislature hereby finds and determines that, if
22 Sopogy, Inc., enters into an agreement with the public utility



1 serving the county in which the proposed project is to be
2 situated and the agreement is approved by the public utilities
3 commission and the activity and facilities of Sopogy, Inc., are
4 certified by the public utilities commission as being for the
5 local furnishing of electric energy, then the activity and
6 facilities of Sopogy, Inc., shall be deemed to substantially
7 comply with part VI, chapter 39A, Hawaii Revised Statutes, as an
8 energy project as defined in part VI, and the financing thereof
9 is assistance to utilities serving the general public in
10 providing electric energy.

11 SECTION 3. The special purpose revenue bonds and the
12 refunding special purpose revenue bonds issued under this Act
13 shall be issued pursuant to part VI, chapter 39A, Hawaii Revised
14 Statutes, relating to the power to issue special purpose revenue
15 bonds to assist utilities serving the general public in
16 providing electric energy.

17 SECTION 4. The department of budget and finance is
18 authorized, from time to time, including times subsequent to
19 June 30, 2013, to issue special purpose revenue bonds in
20 whatever principal amounts the department shall determine to be
21 necessary to refund the special purpose revenue bonds authorized
22 in section 2 and any refunding of special purpose revenue bonds



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

10 SECTION 5. The authorization to issue special purpose
11 revenue bonds under this Act shall lapse on June 30, 2013.

12 SECTION 6. This Act shall take effect on July 1, 2008.



Report Title:

Special Purpose Revenue Bonds; Sopogy, Inc.

Description:

Authorizes the issuance of special purpose revenue bonds in an amount not exceeding \$35,000,000 to assist Sopogy, Inc. with planning, designing, construction, equipping, and operating a solar farm power plant on the island of Oahu to produce electricity from solar power. (HB2825 HD1)

