

JAN 19 2007

A BILL FOR AN ACT

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

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., seeks
9 to create at the natural energy laboratory of Hawaii authority
10 on the island of Hawaii, would demonstrate how electricity could
11 be produced by using solar power systems.

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

16 The legislature further finds that part V, chapter 39A,
17 Hawaii Revised Statutes, permits the State to financially assist



1 industrial enterprises through the issuance of special purpose
2 revenue bonds and that the issuance of special purpose revenue
3 bonds under this Act is in the public interest and for the
4 public health, safety, and general welfare of the state. The
5 legislature finds that Sopogy Inc., is an industrial enterprise
6 meeting the qualifications for special purpose revenue bond
7 assistance under part V, chapter 39A, Hawaii Revised Statutes.
8 The special purpose revenue bonds authorized under this Act will
9 provide low interest rate bond financing for the construction of
10 a solar farm power plant at the natural energy laboratory of
11 Hawaii authority.

12 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
13 Statutes, the department of budget and finance, with the
14 approval of the governor, is authorized to issue special purpose
15 revenue bonds in a total amount not to exceed \$10,000,000 in one
16 or more series, for the purpose of assisting Sopogy Inc., with
17 the planning, designing, construction, equipping, and operating
18 Sopogy Inc.'s solar farm power plant at the natural energy
19 laboratory of Hawaii authority.

20 The legislature hereby finds and determines that the
21 activity and facilities of Sopogy Inc., constitute a project as



1 defined in part V, chapter 39A, Hawaii Revised Statutes, and the
2 financing thereof is assistance to an industrial enterprise.

3 SECTION 3. The special purpose revenue bonds and the
4 refunding special purpose revenue bonds issued under this Act
5 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
6 Statutes, relating to the power to issue special purpose revenue
7 bonds to assist industrial enterprises.

8 SECTION 4. The department of budget and finance is
9 authorized, from time to time, including times subsequent to
10 June 30, 2012, to issue special purpose revenue bonds in
11 whatever principal amounts the department shall determine to be
12 necessary to refund the special purpose revenue bonds authorized
13 in section 2 and any refunding of special purpose revenue bonds
14 authorized in this section, regardless of whether the
15 outstanding special purpose revenue bonds or refunding special
16 purpose revenue bonds have matured or are the subject of
17 redemption or whether the refunding special purpose revenue
18 bonds shall be bonds for the multi-project programs described in
19 section 2. In making this determination, the department shall
20 comply with federal law relating to the exemption from federal
21 income taxation of the interest on bonds of the nature
22 authorized by this section.



S.B. NO. 597

1 SECTION 5. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2012.

3 SECTION 6. This Act shall take effect on July 1, 2007.

4

INTRODUCED BY: Carol Fukumaga



Report Title:

Special Purpose Revenue Bonds; Sopogy Inc.

Description:

Authorizes the issuance of special purpose revenue bonds in an amount not exceeding \$10,000,000 to assist Sopogy Inc. with planning, designing, construction, equipping, and operating a solar farm power plant at the Natural Energy Laboratory of Hawaii to produce electricity from solar power.

