

JAN 26 2011

A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST BIOENERGY HAWAII, LLC.

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

1 SECTION 1. The legislature finds that it is in the public
2 interest to encourage the development of cogeneration facilities
3 that make energy available to members of the general public by
4 the sale of electric energy or biofuels, or both, to an electric
5 utility or refinery, or both, serving the area.

6 The legislature also finds that the benefits of the
7 development of cogeneration facilities include:

- 8 (1) Reduced greenhouse gas emissions;
- 9 (2) Reduced landfill waste streams;
- 10 (3) Reduced transportation and disposal costs;
- 11 (4) Creation of local technical and semi-technical jobs;
- 12 (5) Renewable energy for local communities through
13 distributed generations; and
- 14 (6) Reduced dependence on imported fossil fuels for local
15 transportation and energy needs.

16 The legislature also finds that BioEnergy Hawaii, LLC, is
17 engaged in the development of a cogeneration facility project



1 that will sell energy in the form of electricity or biofuels, or
2 both, that it produces to electric utilities or refineries, or
3 both, serving the public by processing non-fossil fuel
4 feedstock.

5 The legislature further finds that BioEnergy Hawaii, LLC,
6 may be assisted through the issuance of special purpose revenue
7 bonds because it is an industrial enterprise pursuant to part V
8 of chapter 39A, Hawaii Revised Statutes.

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

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 \$100,000,000, in
16 one or more series, for the purpose of assisting BioEnergy
17 Hawaii, LLC, a Hawaii limited liability company, or a
18 partnership in which BioEnergy Hawaii, LLC, is a general
19 partner, for the establishment of a cogeneration facility and
20 related energy production facilities. The electrical output or
21 biofuels energy, or both, of this plant and facilities shall be
22 made available for use by members of the general public by sale



1 to electric utilities or refineries, or both, serving the
2 public. Thermal fluid output of this plant and related energy
3 production facilities shall be made available to existing and
4 planned manufacturing processing entrepreneurs in the area. The
5 legislature hereby finds and determines that the activities and
6 facilities of BioEnergy Hawaii, LLC, constitute a project as
7 defined in part V, chapter 39A, Hawaii Revised Statutes, and the
8 financing thereof is assistance to an industrial enterprise.

9 SECTION 3. The special purpose revenue bonds and the
10 refunding special purpose revenue bonds issued under this Act
11 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
12 Statutes, relating to the power to issue special purpose revenue
13 bonds to assist industrial enterprises.

14 SECTION 4. The department of budget and finance is
15 authorized, from time to time, including times subsequent to
16 June 30, 2016, to issue special purpose revenue bonds in
17 whatever principal amounts the department shall determine to be
18 necessary to refund the special purpose revenue bonds authorized
19 in section 2 and to refund special purpose revenue bonds
20 authorized in this section, regardless of whether the
21 outstanding special purpose revenue bonds or refunding special
22 purpose revenue bonds have matured or are the subject of



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

7 SECTION 5. The authorization to issue special purpose
8 revenue bonds under this Act shall lapse on June 30, 2016.

9 SECTION 6. This Act shall take effect upon its approval.

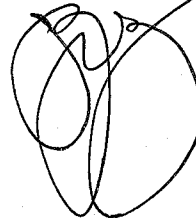
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Report Title:

Energy; BioEnergy Hawaii, LLC; Special Purpose Revenue Bonds

Description:

Authorizes the issuance of special purpose revenue bonds to assist BioEnergy Hawaii, LLC, establish a cogeneration facility and related energy production facilities for electrical output or biofuels energy, or both.

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

