
A BILL FOR AN ACT

RELATING TO INFORMATION TECHNOLOGY.

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

1 SECTION 1. The legislature finds that the development of
2 broadband infrastructure to enable access to affordable ultra
3 high-speed internet is essential to build a vibrant and
4 sustainable economy and workforce in Hawaii and improve the
5 quality of life for residents. The legislature further finds
6 that the utilization of abandoned water mains in conjunction
7 with Act 151, Session Laws of Hawaii 2011, provides a unique
8 opportunity to achieve the State's Hawaii broadband initiative
9 goals in a timely and cost effective manner. Underground cables
10 are protected from weather related risks and accident damage,
11 and preserve Hawaii's uncluttered environment. The use of
12 abandoned water mains is a proven way to facilitate cost
13 efficient and rapid deployment of buried fiber optic
14 infrastructure, while minimizing the unavoidable traffic impacts
15 that plague traditional underground construction methods,
16 especially in the urban core. For these reasons, the
17 legislature finds and declares that the issuance of special



1 purpose revenue bonds under this Act is in the public interest
2 and for the public health, safety, and general welfare.

3 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
4 Statutes, the department of budget and finance, with the
5 approval of the governor, is authorized to issue special purpose
6 revenue bonds in a total amount not to exceed \$100,000,000, in
7 one or more series, for the purpose of assisting Clearcom, Inc.,
8 or a partnership headed by Clearcom, Inc., with the planning,
9 permitting, designing, constructing, equipping, and operating of
10 broadband infrastructure at locations throughout the State.

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 V, chapter 39A, Hawaii Revised
14 Statutes, relating to the power to issue special purpose revenue
15 bonds to assist industrial enterprises.

16 SECTION 4. The department of budget and finance is
17 authorized, from time to time, including times subsequent to
18 June 30, 2017, to issue special purpose revenue bonds in
19 whatever principal amounts the department shall determine to be
20 necessary to refund the special purpose revenue bonds authorized
21 in section 2 and to refund special purpose revenue bonds
22 authorized in this section, regardless of whether the



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

9 SECTION 5. The special purpose revenue bonds issued under
10 this Act may be issued in one or more series for a single
11 project, multiple projects, a single-project party, or multiple-
12 project parties pursuant to the authority of this Act or the
13 combined authority of this Act and any one or more other
14 separate acts of the legislature pursuant to part V, chapter
15 39A, Hawaii Revised Statutes, and the department of budget and
16 finance may combine a single issue of special purpose revenue
17 bonds, in one or more series, two or more proposed issues of
18 special purpose revenue bonds to be issued pursuant to part V,
19 chapter 39A, Hawaii Revised Statutes, separately authorized, in
20 the total amount not to exceed the aggregate of the proposed
21 separate issues of special purpose revenue bonds.



1 SECTION 6. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2017.

3 SECTION 7. This Act shall take effect on July 1, 2112.



Report Title:

Special Purpose Revenue Bonds; Clearcom, Inc.; Hawaii Broadband Initiative

Description:

Authorizes the issuance of special purpose revenue bonds to assist Clearcom, Inc., or a partnership headed by Clearcom, Inc., with planning, permitting, designing, constructing, equipping, and operating broadband infrastructure throughout the State. Effective July 1, 2112. (SB2236 HD1)

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

