
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The legislature finds that coffee production
2 throughout Hawaii was valued at over \$27,840,000 in 2009, with
3 8,000 acres in coffee production.

4 The legislature also finds that in order to develop
5 additional markets for Hawaii-grown coffee and promote the
6 expansion of the coffee industry in Hawaii, the industry must
7 add new products such as liquid concentrated coffee, freeze
8 dried coffee, and other high quality coffee extracts.
9 Prospective buyers for these products include the United States
10 military, overseas markets, and niche markets that demand
11 portable and durable food products.

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

15 SECTION 2. Pursuant to part IV, chapter 39A, Hawaii
16 Revised Statutes, the department of budget and finance, with the
17 approval of the governor, is authorized to issue special purpose
18 revenue bonds in a total amount not to exceed \$10,000,000, in



1 one or more series, for the purpose of assisting Kauai Coffee
2 Company Incorporated, a Hawaii corporation, in the planning,
3 construction, and operation of a coffee processing facility for
4 the production of Hawaii-grown coffee products such as liquid
5 concentrated coffee, freeze dried coffee, and other high quality
6 coffee extracts. The legislature hereby finds and determines
7 that the planning, construction, and operation of a coffee
8 processing facility by Kauai Coffee Company Incorporated for the
9 production of Hawaii-grown products constitute a project as
10 defined in part IV, chapter 39A, Hawaii Revised Statutes, and
11 the financing thereof is assistance to a processing enterprise.

12 SECTION 3. The special purpose revenue bonds and the
13 refunding special purpose revenue bonds issued under this Act
14 shall be issued pursuant to part IV, chapter 39A, Hawaii Revised
15 Statutes, relating to the power to issue special purpose revenue
16 bonds to assist processing enterprises.

17 SECTION 4. The department of budget and finance is
18 authorized, from time to time, including times subsequent to
19 June 30, 2017, 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 to refund 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, 2017.

12 SECTION 6. This Act shall take effect on July 1, 2012.

13



Report Title:

Special Purpose Revenue Bonds; Kauai Coffee Company Incorporated

Description:

Authorizes \$10,000,000 in special purpose revenue bonds to assist Kauai Coffee Company Incorporated in the planning, construction, and operation of a coffee processing facility for the production of Hawaii-grown coffee products. (SD1)

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

