

HB1388

Testimony

NEIL ABERCROMBIE
Governor



RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

SCOTT E. ENRIGHT
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE
TUESDAY, MARCH 12, 2013
2:45 P.M.
Room 229**

**HOUSE BILL NO. 1388 HD1
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST A PROCESSING ENTERPRISE**

Chairperson Nishihara and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1388 HD1 that authorizes the State to issue special purpose bonds to assist Sunrise Capital, Inc. in protecting its shrimp hatchery facility and its saltwater well and relocating them further inland to avoid seaside erosion. The Department of Agriculture supports the efforts of Sunrise Capital to improve and relocate facilities that are threatened by erosion. However, we defer to the Department of Budget and Finance on this measure. Because the Department of Budget and Finance evaluates each applicant for a special purpose revenue bond, they are the lead agency in terms of final approval.

Thank you, again, for the opportunity to testify on this measure.



TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON AGRICULTURE
ON
HOUSE BILL NO. 1388, H.D. 1

March 12, 2013

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST A PROCESSING ENTERPRISE.

House Bill No. 1388, H.D. 1, authorizes the issuance of special purpose revenue bonds (SPRB) to assist Sunrise Capital, Inc. in protecting its shrimp hatchery facility and its salt water well and relocating them further inland to avoid seaside erosion pursuant to Part IV, Chapter 39A, Hawaii Revised Statutes.

The Department has no position on the issuance of SPRBs as contemplated in this bill. The Department would like to remind the Legislature and prospective issuers that should the legislation be approved, approval of SPRB issuance will still require further discussion and satisfactory review of the financing components involved in the transaction.

Thank you for the opportunity to provide testimony on this measure.