

STAND. COM. REP. NO.

2340

Honolulu, Hawaii

FEB 13 2014

RE: S.B. No. 2702  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 2702 entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST SEAWATER AIR CONDITIONING PROJECTS ON OAHU,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the authorization of the issuance of special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, for an additional five years for the purpose of design and construction of a seawater air conditioning district cooling system in downtown Honolulu.

Your Committee received testimony in support of this measure from Honolulu Seawater Air Conditioning and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the downtown Honolulu seawater air conditioning project will service approximately 14,000,000 square feet of downtown building space. In addition to the compelling environmental and renewal energy benefits associated with deep water cooling, the project will generate close to \$250,000,000 in construction spending and create more than 1,500 construction jobs from 2014 through 2016. This project will also establish Hawaii as a leading authority on the development and installation of seawater air conditioning systems throughout the Asia-Pacific region.

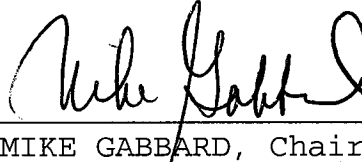


Your Committee has amended this measure by:

- (1) Deleting language that would have authorized the Department of Budget and Finance to issue special purpose revenue bonds to Honolulu Seawater Air Conditioning, LLC, subsequent to June 30, 2019; and
- (2) Inserting an effective date of June 29, 2014.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2702, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2702, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,

  
MIKE GABBARD, Chair



