
A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST BIG ISLAND DAIRY, LLC.

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

1 SECTION 1. The legislature finds that support for local
2 agriculture continues to be in the public interest. Big Island
3 Dairy, LLC, operates a dairy farm in Ookala, one of only two
4 commercial dairies remaining in the State. The production of
5 fresh, locally-grown milk offers Hawaii consumers a healthy
6 choice for their diets. While Big Island Dairy, LLC, plays a
7 vital role in Hawaii's agriculture and economy, the company
8 faces increasing competition from mainland producers.

9 The legislature further finds that Big Island Dairy, LLC's,
10 operation of its dairy farm in Ookala is an agricultural
11 enterprise under part X, chapter 39A, Hawaii Revised Statutes,
12 and may be assisted through the issuance of special purpose
13 revenue bonds. The legislature finds and declares that the
14 issuance of special purpose revenue bonds under this Act is in
15 the public interest and for the public health, safety, and
16 general welfare.



1 The purpose of this Act is to authorize the issuance of
2 special purpose revenue bonds to assist Big Island Dairy, LLC,
3 with the operation of its dairy farm in Ookala.

4 SECTION 2. Pursuant to part X, chapter 39A, Hawaii Revised
5 Statutes, the department of budget and finance, with the
6 approval of the governor, is authorized to issue special purpose
7 revenue bonds in a total amount not to exceed \$ in
8 one or more series, for the purpose of assisting Big Island
9 Dairy, LLC, a Hawaii limited liability company, with the
10 operation of its dairy farm in Ookala. The legislature hereby
11 finds and determines that Big Island Dairy, LLC's, operation of
12 its dairy farm in Ookala constitutes a project as defined in
13 part X, chapter 39A, Hawaii Revised Statutes, and the financing
14 thereof is assistance to an agricultural enterprise.

15 SECTION 3. The special purpose revenue bonds and the
16 refunding special purpose revenue bonds issued under this Act
17 shall be issued pursuant to part X, chapter 39A, Hawaii Revised
18 Statutes, relating to the power to issue special purpose revenue
19 bonds to assist agricultural enterprises.

20 SECTION 4. The department of budget and finance is
21 authorized, from time to time, including times subsequent to



1 June 30, 2021, to issue special purpose revenue bonds in
 2 whatever principal amounts the department shall determine to be
 3 necessary to refund the special purpose revenue bonds authorized
 4 in section 2 of this Act and to refund special purpose revenue
 5 bonds authorized by this section, regardless of whether the
 6 outstanding special purpose revenue bonds or refunding special
 7 purpose revenue bonds have matured or are the subject of
 8 redemption or whether the refunding special purpose revenue
 9 bonds shall be bonds for the multi-project programs described in
 10 section 2. In making this determination, the department shall
 11 comply with federal law relating to the exemption from federal
 12 income taxation of the interest on bonds of the nature
 13 authorized by this section.

14 SECTION 5. The authorization to issue special purpose
 15 revenue bonds under this Act shall lapse on June 30, 2021.

16 SECTION 6. This Act shall take effect on July 1, 2016.

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[Handwritten signature] INTRODUCED BY: *Cindy Evans*
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H.B. NO. 1982

Report Title:

Special Purpose Revenue Bonds; Agriculture; Big Island Dairy, LLC

Description:

Authorizes the issuance of special purpose revenue bonds to assist Big Island Dairy, LLC, with the operation of its dairy farm in Ookala.

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

