
A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR
HAWAII RENEWABLE RESOURCES, LLC.

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

1 SECTION 1. The legislature finds that the development of
2 local sustainable food production and the use and production of
3 renewable energy systems continues to be in the best public
4 interest. Hawaii Renewable Resources, LLC, is a Hawai'i company
5 offering sustainable solutions for the production of food and
6 renewable energy from the conversion of recovered food and green
7 agricultural crop resources.

8 Hawaii Renewable Resources, LLC, proposes to own, design,
9 build, and operate a renewable natural gas production facility
10 on Maui that will grow energy crops to produce renewable natural
11 gas, carbon dioxide, recovered organic composts, and recovered
12 irrigation water.

13 In support of the project of Hawaii Renewable Resources,
14 LLC, the use of special purpose revenue bonds issued pursuant to
15 this Act has been carefully considered and matches similar
16 investments for infrastructure projects of this type. The



1 issuance of special purpose revenue bonds will also provide
2 critical financial flexibility to support the project
3 initiatives and the deployment of internal capital. Through the
4 utilization of special purpose revenue bonds as a means of
5 funding, Hawaii Renewable Resources, LLC, will provide the
6 public with benefits derived from utilization of alternative
7 energy, without investment or operational risk to the State or
8 counties.

9 The legislature finds and declares that the issuance of
10 special purpose revenue bonds under this Act for Hawaii
11 Renewable Resources, LLC, is in the public interest and for the
12 public health, safety, and general welfare of the State.

13 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
14 Statutes, the department of budget and finance, with the
15 approval of the governor, is authorized to issue special purpose
16 revenue bonds in a total amount not to exceed \$30,000,000 in one
17 or more series, for the purpose of assisting Hawaii Renewable
18 Resources, LLC, with the establishment and funding of food
19 crops, with renewable natural gas and electricity production and
20 related facilities and projects on the island of Maui.



1 SECTION 3. The special purpose revenue bonds and the
2 refunding special purpose revenue bonds issued under this Act
3 shall be issued pursuant to part V, chapter 39A, Hawaii Revised
4 Statutes, relating to the power to issue special purpose revenue
5 bonds to assist industrial enterprises.

6 SECTION 4. The department of budget and finance is
7 authorized, from time to time, including times subsequent to
8 June 30, 2021, to issue special purpose revenue bonds in
9 whatever principal amounts the department shall determine to be
10 necessary to refund the special purpose revenue bonds authorized
11 in section 2 and to refund special purpose revenue bonds
12 authorized in this section, regardless of whether the
13 outstanding special purpose revenue bonds or refunding special
14 purpose revenue bonds have matured or are the subject of
15 redemption or whether the refunding special purpose revenue
16 bonds shall be bonds for the multi-project programs described in
17 section 2. In making this determination, the department shall
18 comply with federal law relating to the exemption from federal
19 income taxation of the interest on bonds of the nature
20 authorized by this section.



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

3 SECTION 6. This Act shall take effect July 1, 2016.
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JAN 25 2016



H.B. NO. 2238

Report Title:

Special Purpose Revenue Bonds; Natural Gas Production Facility;
Renewable Energy; Hawaii Renewable Resources, LLC; Maui

Description:

Authorizes the issuance of special purpose revenue bonds to assist Hawaii Renewable Resources, LLC, with the development of a natural gas production facility on Maui that will establish and fund food crops, with renewable natural gas and electricity production and related facilities and projects on the island of Maui.

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