A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR SUNSTRONG LLC, A RENEWABLE ENERGY DEVELOPER SERVING THE GENERAL PUBLIC IN PROVIDING ELECTRIC ENERGY.

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

1   SECTION 1. The legislature finds that climate change and

2   its severe effects and shoreline erosion impact the lives and

3   livelihoods of Hawaii's people. There is currently an

4   increasing focus on reducing harmful air emissions from fossil

5   fuels, such as oil and coal, as a possible cause of greenhouse

6   gases, which impact climate change.

7   The legislature further finds that global fossil fuel

8   prices and concerns about energy security in Hawaii are the

9   impetus locally to acquire renewable resources as a source of

10   energy. Hawaii is extremely well-situated to harness strong

11   trade winds and abundant sunlight to provide renewable energy.

12   SunStrong LLC has considerable experience in installing

13   renewable energy projects using special purpose revenue bonds as

14   a financing instrument.

1   The legislature finds and declares that the issuance of

2   special purpose revenue bonds under this Act is in the public

3   interest and for the public health, safety, and general welfare.

4   SECTION 2. Pursuant to part VI, chapter 39A, Hawaii

5   Revised 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 $50,000,000, in

8   one or more series, for the purpose of assisting SunStrong LLC,

9   a renewable energy developer, in serving the general public by

10   providing renewable electric energy and installing renewable

11   energy projects in Hawaii. The legislature hereby finds and

12   determines that the renewable energy projects constitute a

13   project as defined in part VI, chapter 39A, Hawaii Revised

14   Statutes, and the financing thereof is assistance to a utility

15   serving the general public in providing electric energy, gas, or

16   telecommunications.

17   SECTION 3. The special purpose revenue bonds and the

18   refunding special purpose revenue bonds issued under this Act

19   shall be issued pursuant to part VI, chapter 39A, Hawaii Revised

20   Statutes, relating to the power to issue special purpose revenue

1   bonds to assist utilities serving the general public in

2   providing electric energy, gas, or telecommunications.

3   SECTION 4. The department of budget and finance is

4   authorized, from time to time, including times subsequent to

5   June 30, 2020, to issue special purpose revenue bonds in

6   whatever principal amounts the department shall determine to be

7   necessary to refund the special purpose revenue bonds authorized

8   in section 2 and to refund special purpose revenue bonds

9   authorized in this section, regardless of whether the

10   outstanding special purpose revenue bonds or refunding special

11   purpose revenue bonds have matured or are the subject of

12   redemption or whether the refunding special purpose revenue

13   bonds shall be bonds for the multi-project programs described in

14   section 2. In making this determination, the department shall

15   comply with federal law relating to the exemption from federal

16   income taxation of the interest on bonds of the nature

17   authorized by this section.

18   SECTION 5. The authorization to issue special purpose

19   revenue bonds under this Act shall lapse on June 30, 2020.

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S.B. NO. 1042

1   SECTION 6. This Act shall take effect on July 1, 2015.

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INTRODUCED BY: _____

S.B. NO. *1042*

Report Title:
Special Purpose Revenue Bonds; SunStrong LLC; Renewable Energy Developer

Description:
Authorizes the issuance of special purpose revenue bonds to SunStrong LLC, a renewable energy developer, for the provision of electric energy and installation of renewable energy projects in Hawaii.

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